

## IN THE PROBATE COURT

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**V.**

NUMBER OF

***Defendants.***

**TRAVIS COUNTY, TEXAS**

**ORIGINAL PETITION AND APPLICATION FOR RELIEF**  
**PURSUANT TO TEXAS PROPERTY CODE SECTION 114.008**

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## **I. Discovery Level**

1. Pursuant to Texas Rule of Civil Procedure 190.4, this case should proceed under Level 3 for discovery purposes or as otherwise provided by the Court's Docket Control Order.

## **II. Introduction**

2. This Petition arises from the fiduciary breaches of trust, fraud, conversion, and egregious acts of self-dealing by Bob and Matt in their capacities as executors of Peter Seidler's Estate and trustees of the Seidler Trusts. Bob and Matt have misappropriated and misused the assets that their deceased brother, Peter Seidler ("Peter"), expressly bequeathed in trust to Sheel Seidler, his first and only wife and the mother of their three young children. Peter made clear that the Seidler Trusts, and their assets, were to exist for Sheel's *sole benefit* during her lifetime. Yet time after time, Defendants have treated those assets as their own, to the detriment of the Trust and Mrs. Seidler.

3. The Seidler Trusts' assets include the largest single ownership block, and the explicit control rights, of the San Diego Padres professional baseball team. Peter was the beloved owner of the Padres, transforming the team into a perennial World Series contender. He was a larger-than-life figure in the San Diego community, adored for his commitment to the city, its people, and his philanthropic endeavors.

4. Peter's enormous success was matched only by his enormous generosity. While his primary focus was his wife and children, his generosity included his extended family. Throughout his life, Peter consistently supported his siblings and extended family, and enabled them to achieve success, including by giving them non-control minority ownership stakes in his private-equity firm, giving them board positions on companies he owned, and giving them the opportunity to become non-control minority owners of the Padres.

5. Peter trusted Bob enough to name him as the successor trustee of the Trust and initial trustee of the Marital Trust and the Exemption Trust, to be followed by Peter's other brothers Matt and John Seidler ("John"). Indeed, Bob, Matt, John, and their fourth brother Tom Seidler ("Tom") assured Peter on his deathbed that they would act for the benefit of Sheel and the children, if and when needed. But after Peter suddenly and unexpectedly died in November 2023, that promise was shown to be hollow. Despite having been trusted by their brother to act as fiduciaries for Sheel, Bob and Matt not only disregarded the clear terms and purpose of the will and trust instrument that Peter created, but they also have intentionally schemed to take for themselves the Estate and Seidler Trusts' valuable rights and assets. They have done so by misleading Sheel, engaging in conflicted transactions and egregious acts of self-dealing, and then when Sheel began expressing concern and questioning their actions, they responded by demeaning and attempting to intimidate her—including by using Trust assets to pay lawyers to threaten her into submission and silence.

6. Now over a year later, Bob and Matt continue to fail to comply with their fiduciary duties to Sheel. They sold trust assets to themselves and then "unsold" them when caught. They have used trust assets to fund payment obligations that they and their family members should have borne themselves. They claim unsubstantiated debt is due (to their benefit) by the Estate and/or Seidler Trusts but have never produced documentation substantiating it. They have denied Sheel proper distributions, intangible benefits, and even basic information to which she is entitled. They have compounded her grief and anguish during a period of shock and mourning. And, most painfully to Sheel, they are trying to erase Peter's vision and legacy, as well as falsely cast themselves as Peter's true heirs.

7. Peter and Sheel were true partners in life, marriage, and business. Peter had long spoken about his desire to leave the Padres as a legacy to his family—his wife and their children—and his hopes that the team would one day be run by Sheel and their children. Indeed, for many years before his death, Sheel acted as Peter’s primary advisor in matters related to the Padres, and Peter indicated his wish for Sheel, and later their children, to take up his position as Padres Control Person upon his death. “Control Person” is a formal Major League Baseball role that denotes the person with ultimate responsibility over each ballclub. And Sheel was the natural person to assume that role, especially given that she and Peter had always operated as a partnership. Peter and Sheel discussed the business and operations of the Padres on a daily basis, and Peter regularly sought her counsel. Sheel consulted on potential free agent signings, trades, and management hires. She traveled with Peter to MLB owners’ meetings and would consult with him during breaks. She interfaced with players’ agents. She advised Peter on highly sensitive and confidential personnel issues. She developed deep relationships with players, staff, and their families. Indeed, Sheel and Peter’s down-to-earth, authentic nature was treasured throughout the ballclub and in the community, and truly defined the Padres’ culture. The family atmosphere Peter and Sheel created together at the Padres was a significant selling point to signing players, and was a valuable part of the identity of the Padres and something that set it apart from other Major League teams.

8. Peter and Sheel involved their young children in Padres ownership. For example, Peter made sure that their eldest daughter Sadie was at the press conferences for the initial signing of star player Manny Machado, and at the press conference for his long-term extension, where Peter had Sadie take a photo pretending to sign Manny’s contract and told both of them that they would be partners in the not-too-distant future. Sheel and the children participated in meetings with executives and agents like Scott Boras, and attended events with players.

9. During his lifetime, Peter established the trust instrument (the “Trust Instrument”). Peter’s Will required that, after his death, his assets pass to the Trust. Peter himself was the original trustee of his Trust and named his brother Bob, followed by his other brothers Matt and then John, as successor trustees and original and successor executors. The Trust Instrument, in turn, dictates that a tax-exempt amount flows to the Exemption Trust and the remainder of his substantial assets flows to the Marital Trust. Both trusts were established for the *sole benefit* of Sheel, so long as she lives. These assets include the principal ownership stake in Padres, an interest in Seidler Kutsenda Management Company (“SKMC”)—which is the management company of a multi-billion-dollar private-equity firm founded and built by Peter—as well as substantial additional outside investments.

10. By naming them as successor trustees and executors, Peter expected that his brothers would zealously protect and promote Sheel’s interests in these assets. But following Peter’s unexpected death on November 14, 2023, Bob and Matt immediately began pursuing their *own* objectives and self-enrichment. Rather than serve as stewards of the Estate and Seidler Trusts’ assets, first Bob and then Matt treated those assets as their own and put their own interests above the interests of the beneficiary. Several months into the brothers’ scheme, Sheel, still in a state of mourning, was stunned to uncover the magnitude of their greed and betrayals.

11. This entire episode has been extremely distressing to Sheel and their children. Bob, Matt, and certain extended family members effectively ostracized them after Peter’s death. Defendants have made clear that Sheel and her children are not welcome in the owners’ box at the Padres’ stadium, Petco Park—the place where their children spent countless games with their father and feel connected to his legacy—while Defendants use the suite for themselves. Defendants and team executives they control have gone so far as to inform Padres employees that

Sheel is not an owner of the team, and that her presence and input are not welcome in interacting with free agents and current players. Likewise, Sheel has been excluded from events meant to mark Peter's legacy and their joint commitment to the fans and community, despite the family culture that they built and which makes the Padres distinctive.

12. But if their actions did not make their position clear enough, Bob, Matt, and certain extended Seidler family's true feelings toward Sheel were expressly and unequivocally revealed by Bob's wife, Alecia Seidler, in multiple racist, profane, and hateful communications directed at Sheel—a woman of Indian descent—in communications on which Bob was copied while Bob was trustee, as well as after Matt took that role. Alecia made clear that Sheel was an outsider unworthy of being part of the Seidler family and that she was foolish to believe that the Seidler family would ever act in her best interests. Alecia's communications expressed in coarse terms many of the things the trustees would express implicitly or in more refined tones—that she was penniless, totally dependent on the charity of the trustees for support, and an undeserving recipient of the assets that Peter left to her.

13. For example, in a message on October 15, 2024, the same day Matt unceremoniously told Sheel that she lacked “the experience, skills and financial acumen necessary” to be named Padres Control Person, Alecia (copying Bob) sent an email that perfectly encapsulated the Seidler family's views of Sheel: ***“Do you really think this family would work for your f\*\*\*ing purple ass? You are delusional!”***<sup>1</sup>

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<sup>1</sup> Sheel initially felt compassion for Alecia's mental health struggles, as Bob described them to Sheel, given Sheel's deep ties to the addiction recovery community. However, as Alecia continued to send unprompted and hateful messages, Sheel came to realize that Alecia's actions stemmed not from a mental health crisis but rather from decades of her concealed animosity toward Peter and Sheel.

14. As Sheel has now uncovered, Bob and Matt's plans began almost immediately after Peter's death. To start, Bob and Matt falsely represented to Sheel that the Estate and Seidler Trusts were saddled with significant and urgent debt obligations and faced an impending liquidity crisis. Defendants told Sheel that the situation was so dire that, despite the vast wealth of the Estate and Seidler Trusts, she had to *personally* take out a loan of \$2.45 million to purchase property that she and Peter had decided to purchase prior to his death. This came as a total shock to Sheel, particularly given that she and Peter had never needed to take on external debt to fund family expenses during their marriage. Peter had always kept his assets profitable and liquid. But Sheel relied on Defendants' representations. As her fiduciaries, she trusted them.

15. But the dire "liquidity crisis" was a fiction. And even if it had been real, an executor and trustee acting consistent with his fiduciary duties would have had numerous ways to raise liquidity that did not involve the grossly negligent or intentionally bad-faith, self-dealing transactions in which Defendants chose to engage. Nevertheless, Defendants used this concocted liquidity-crisis story to enrich themselves and otherwise brazenly violate the fiduciary duties they owe to Sheel under the law.

16. *First*, Defendants suffer from irreconcilable conflicts of interest between the best interests of Sheel, the Estate and/or Seidler Trusts, on one hand, and their own personal interests, on the other. This conflict has arisen multiple times in the past year, and in each instance, Defendants have chosen to prioritize their own interests over the interest of Sheel, the Estate and/or Seidler Trusts. Defendants have effectively used the Seidler Trusts as a piggy bank and to further their false narrative of the Trust's illiquidity.

17. *Second*, Defendants used the illiquidity narrative to sell themselves the Seidler Trusts' assets at far-below-market prices. In early 2024, Bob and Matt conspired to purchase for



their benefit the Trust's interests in SKMC well below any fair market value. Bob, acting both as trustee of the Trust and as a co-owner of SKMC, had to approve both sides of the transaction. Tellingly, when Bob and Matt were caught in October 2024 and could not justify their actions, they reversed course, suddenly rescinded the transaction, and warned Sheel against pursuing her claims against them. Not to be deterred, Defendants simultaneously rescinded an entirely separate agreement that had become effective the day after Peter's death in November 2023. Defendants' gratuitous action stripped the Trust of interests in private equity funds and left the Seidler Trusts in a worse position than they had been before the rescission.

18. *Third*, Defendants schemed to solidify their control of the Padres via the appointment of the next Padres Control Person in a manner that is not in the best interest of Sheel—the ultimate beneficial owner of the largest stake in the team—or the Seidler Trusts. All Major League Baseball teams have a designated Control Person, who is the single individual with ultimate authority and responsibility for making all team decisions. The Control Person is a critical position for any team. How to operate the team, which players to sign or trade, whom to hire in critical management and front-office positions, and how the team engages with the fans, the community, and the local government are all decisions made by the Control Person. Given the importance of the Control Person, Major League Baseball requires that each team's Control Person meet certain ownership requirements. In addition to its role with regard to Major League Baseball, the Control Person for the Padres also has powers over the Padres interests owned by the Seidler Trusts.

19. Prior to his death and while his interest was held in the Trust, Peter was the Control Person of the Padres. He painstakingly built a legacy and culture of success at the Padres, transforming the team into a perennial World Series contender. A World Series championship



was Peter’s ultimate goal for both the Padres and their fans. And at Peter’s side for every major event during his ownership of the Padres was Sheel—who consulted with him on all major Padres decisions, accompanied him to owners’ meetings, and developed deep relationships with Padres players, management, and community partners.

20. From the outset, Peter’s vision for the franchise was to ensure that Sheel and their children played an integral role, leaving their fingerprints on its identity. The family-centric approach has been a cornerstone of the franchise’s values and has cultivated a unique sense of authenticity and belonging. This vision has not only shaped the franchise’s culture but has also had a measurable impact on key aspects such as player recruitment. The significance of Sheel’s involvement is well-documented, with tangible results that have drawn attention from the press. For instance, a recent column in the *San Diego Union Tribune*<sup>2</sup> underscored Sheel’s critical role in successfully recruiting players, opining that “Sheel Seidler, the former chairman’s wife, should be part of the Padres’ team that tries to woo [Roki] Sasaki,” given the culture that she and Peter created for the Padres.

21. Now, Sheel takes the place of Peter as the sole current beneficiary of the Trust. And Sheel and her children beneficially own approximately one quarter of the Padres. They are the largest single-family owner and easily meet the MLB’s ownership requirements (as Peter himself did). But rather than appoint Sheel as Padres Control Person—consistent with Peter’s noted preference and as the person whose interests are best aligned with the Seidler Trusts—Defendants are attempting to force the appointment of their brother John as the Padres Control Person. By doing so, they are placing control of the Padres and the Seidler Trusts’ substantial

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<sup>2</sup> Tom Krasovic, *Padres poised to make strong sales pitch to Japanese ace Roki Sasaki*, San Diego Union Tribune (Nov. 13, 2024), <https://tinyurl.com/3mkt9sa6>.

interests in the hands of a third party and enjoying the appearance and benefits of being principal owners. Meanwhile, Defendants have frozen Sheel out of the Padres organization and deprived her of the benefits of being the largest beneficial owner of the baseball team, while themselves enjoying those benefits.

22. Peter often spoke of his desire to have Sheel become Control Person after his death, to be followed by their children. And only her trustee can appoint the Control Person. It is clear that he wanted them to carry on the legacy of “The Peter Seidler Way”—a concept that would be familiar to any San Diego Padres fan and that will be memorialized forever when the City of San Diego formally changes the name of the street leading to Petco Park to “Peter Seidler Way.” Indeed, Peter established in the Trust Instrument that his ownership stake in the Padres would be automatically transferred to the Marital Trust upon his death, with Sheel as the sole beneficiary of the Marital Trust. This transfer of control to his wife and children was consistent with Peter’s general business dealings, where he would at time give his siblings non-controlling minority interests but kept control for himself and his wife and children.

23. Peter also kept a handwritten list of whom he desired to be Padres Control Person in the future. At the top of the list, number one was Sheel, followed by their three children:

Padres Control Person

2020 [Pedro = 11 yr. old starting ~~pitcher~~ pitcher]

1. Sheel
2. Sudre
3. Quenti
4. Harry
5. Tom
6. Bob
7. Matt
8. John
9. Carol
10. Monica
11. Peter H. [unclear]
12. Nally [unclear]
13. Matt Colbourne
14. Kevin Carter
- 15.

24. Given Sheel's critical role with the Padres over the last decade plus, her deep relationships with players, management, and the community, her status as single largest beneficial owner of the Padres and sole beneficiary of the Seidler Trusts, and wanting to carry out Peter's wishes, Sheel ultimately requested that Matt, as successor trustee, appoint her the Padres Control Person. These requests were flatly denied. Matt told Sheel in a letter on October 15, 2024 that, in his view, Sheel does not "have the experience, skills and financial acumen necessary to fulfill the responsibilities of this important role." Instead, Matt explained that he would appoint his brother

John as Control Person, incredibly stating that his primary qualification is that he is a “grandson of Walter O’Malley,” who was the owner of the Los Angeles Dodgers from 1950 to 1979. John has never worked for the Padres, spent most of his career as a civil engineer (aside from occasional seats on company boards that Peter would give him), has no ties to the San Diego community, and is far down the list of Peter’s ranked choices for his successor. John’s only connection to the Padres, other than the relatively small stake in the team Peter enabled him to acquire, was that Peter and Sheel provided his son a job as a photographer for the team.

25. Shocked, Sheel and her representatives confronted Matt in October 2024. Over the last several months, Sheel was led to believe that there was a good-faith interest in resolving this dispute out of court and a willingness for the Seidler brothers to step aside as trustees in favor of an independent qualified trustee. This, too, was a façade. Rather than engage in good faith, Defendants strung Sheel along while they prepared an application for their brother John to be Padres Control Person. Meanwhile, Sheel – who cares deeply about the Padres and the reputation of her family – has taken great pains to keep issues related to the family and the Padres private, refraining from filing suit to enforce her rights until it became untenable to continue to do so.

26. On December 21, 2024, Sheel was again stunned when Matt announced publicly that he was nominating John to become Padres Control Person. Press articles accompanying this announcement emphasized John’s O’Malley ancestry and implied that John had the support of 45% of the Padres’ ownership, purportedly including Sheel and her and Peter’s children and their control stake.<sup>3</sup> This could not be further from the truth. Sheel, as the sole lifetime beneficiary of

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<sup>3</sup> See, e.g., Dennis Lin, *John Seidler, Peter’s brother, to take over as Padres control person*, N.Y. Times (Dec. 21, 2024), <https://tinyurl.com/55b5d7mw>; Kevin Acee, *Peter Seidler’s brother, John, set to take control of Padres*, S.D. Union-Tribune (Dec. 21, 2024), <https://tinyurl.com/55wx6jbr>; Valentina Martinez, *Peter Seidler’s Brother to Assume Control Of Padres One Year After Owner’s Death*, Sports Illustrated (Dec. 22, 2024), <https://tinyurl.com/5d7z3syz>.

the Seidler Trusts and largest beneficial owner of the Padres, did not support this decision, she opposed it. Matt was fully aware of Sheel's opposition. Rather than take into account her opposition, he has acted to stifle it. Incredibly, while acting as her supposed Trustee, Matt has attempted to intimidate Sheel into silence, threatening her if she were to make public her opposition to John's unwarranted nomination as Control Person. His actions lay bare where his true interests lie—protecting himself and his brothers, while controlling the Padres and enjoying for himself and his brothers all of the tangible and intangible benefits of being the team owner, as if Peter had left his interests to them.

27. Alarmingly, the press articles generated by Defendants and John clearly indicate that under their control, the Padres will abandon the legacy that was so important to Peter before his death, and which Sheel desires more than anything to carry on. The emphasis in the press reports on the Padres cutting salary, lowering their expectations, and implicitly abandoning their all-out pursuit of a World Series championship would have been a gut-punch to Peter.

28. *Fourth*, notwithstanding the terms of the Trust Instrument (Exhibit A), Defendants have yet to fund the Exemption Trust and the Marital Trust. Likewise, despite the Seidler Trusts having generated significant net income since November 2023, and the obligation under the Trust Instrument to distribute net income quarterly, Defendants have diverted trust income to offset payment obligations that they would otherwise be required to fund themselves. Defendants have repeatedly refused Sheel's requests for required distributions, instead pretextually asking Sheel to first provide household budgets.

29. *Fifth*, Defendants have gone to great lengths to conceal and then make excuses for the wrongdoing described above. After Sheel engaged counsel and requested basic information about the Seidler Trusts' assets, Defendants stonewalled her, ignored their duties of disclosure,

and refused to provide even basic information until she as sole beneficiary executed a Non-Disclosure Agreement, and then took months to produce critical information revealing the extent of their fiduciary breaches and actions. When Sheel's counsel raised the gross unfairness of the SKMC transaction and continued to request more financial information, Defendants unilaterally and without notice rescinded the sale of the private-equity interests—a clear display of their consciousness of guilt. But in doing so, they also rescinded an entirely separate agreement that secured the Seidler Trusts' valuable rights to carried interest associated with the private-equity firm and its funds, thereby further injuring the Seidler Trusts and Sheel as its sole beneficiary by purporting to retract interests worth millions. Their financial conflict of interest and inability to put Sheel's interests above their own could not be clearer.

30. *Sixth*, to make matters worse, Defendants are improperly using the Seidler Trusts as their own litigation war chest. To defend their misconduct and to threaten Sheel into submission, they spent large sums of the Seidler Trusts' funds on lawyers and advisors in 2024, the vast majority of which went to lawyers that do not represent them as executor or trustee. The amount Defendants have spent on their litigation fees is many multiples of the amount they have allowed Sheel to spend on legal advice relating to the Seidler Trusts before cutting her off completely. All the while, Defendants never funded the Exemption Trust or the Marital Trust and have failed to make the required distributions of net income to Sheel.

31. In each of these respects, Bob and Matt have treated Sheel as an adversary—not the widow of their late brother, their sister-in-law, the mother of their nieces and nephew who just lost their father far too soon, and the sole lifetime beneficiary to whom they owe fiduciary duties. And they have treated the assets of Peter's Estate and Seidler Trusts as theirs to use and dispense

as suits their self-interest. In essence, after Peter died, they took off their masks and showed their true faces.

32. Defendants have committed multiple breaches of fiduciary duty—including breaches of trust that were in bad faith, intentional, or at least with reckless indifference to the interest of the beneficiary—and acts of fraud. Defendants have profited from their misconduct and must be held accountable.

### **III. Parties**

33. Plaintiff Sheel Kamal Seidler is an individual, an interested person in the Estate, and the sole lifetime beneficiary of the Seidler Trusts. She is domiciled in Travis County, Texas.

34. Defendant Matthew Seidler currently serves as the successor executor of the Estate of Peter Seidler, Deceased, and the second successor trustee of the Peter Seidler Revocable Trust, and first successor trustee the Peter Seidler Marital Trust and the Peter Seidler Exemption Trust, all situated in Texas. Matthew Seidler has designated Glen Eichelberger, Gray Reed, 1300 Post Oak Blvd, Suite 2000, Houston, Texas as his resident agent for service. Matthew Seidler has previously designated 4640 ADMIRALTY WAY STE 1200, MARINA DEL REY, CA 90292-6642, LOS ANGELES COUNTY as the address of his residence and domicile. **Citation should be issued to Matthew Seidler, individually and the successor Executor of the Estate of Peter Seidler, Deceased, and the second successor trustee of the Peter Seidler Revocable Trust, as first successor trustee the Peter Seidler Marital Trust and the Peter Seidler Exemption Trust, and served via his designated agent for service or such other means as authorized under Texas law.**

35. Defendant Robert “Bob” Seidler served as the original Executor of the Estate of Peter Seidler, Deceased, and prior successor trustee of the Peter Seidler Revocable Trust, and original trustee of the Peter Seidler Marital Trust, and the Peter Seidler Exemption Trust, all situated



in Texas. Bob Seidler has designated Glen Eichelberger, Gray Reed, 1300 Post Oak Blvd, Suite 2000, Houston, Texas as his resident agent for service. Bob Seidler has previously designated 4640 ADMIRALTY WAY STE 1200, MARINA DEL REY, CA 90292-6642, LOS ANGELES COUNTY as the address of his residence and domicile. **Citation should be issued to Bob Seidler, individually and the former Executor of the Estate of Peter Seidler, Deceased, and the former successor trustee of the Peter Seidler Revocable Trust, and original trustee of the Peter Seidler Marital Trust and the Peter Seidler Exemption Trust, and served via his designated agent for service or such other means as authorized under Texas law.**

#### **IV. Jurisdiction & Venue**

36. This Court has jurisdiction pursuant to Sections 31.002 and 32.006 of the Texas Estates Code and Section 115.001 of the Texas (Trust) Property Code.

37. Venue is proper in Travis County, Texas, as the administration of the Estate is pending in Travis County, Texas, and pursuant to Section 115.002(b) of the Texas (Trust) Property Code, as the administration of the Seidler Trusts in Texas takes place in Travis County, Texas.

#### **V. Factual Background**

##### **A. Peter and Sheel's Partnership and Legacy**

38. Peter Seidler passed away suddenly and unexpectedly of an infection on November 14, 2023, at the age of 63, leaving behind his first and only wife, Sheel, and their three young children—then ages 4, 9, and 11. Sheel now raises their three children as a widowed single mother.

39. Although Peter had battled and beaten cancer in 2015, this fatal infection was unrelated and completely unexpected. Peter had received a clean bill of health in the spring of 2023, and Peter and Sheel were attempting to have another child. No one expected Peter to die in November 2023—least of all Peter or Sheel.

40. Peter and Sheel shared a wonderful life by any measure. They were married for fifteen years, raised a family together, and were partners in every respect.

41. Peter was a highly successful investor and business leader, establishing an enormously profitable private-equity firm and making a series of other lucrative investments in various businesses.

42. Sheel graduated with a law degree from the University of San Diego School of Law and practiced as a licensed attorney. She served for over three years on the California State Bar's Committee of Bar Examiner's Moral Character Subcommittee. Later, in addition to founding her own small business, she has served on the boards of several non-profit organizations focused on homelessness, residential treatment for alcoholic women, and medical research. She also consulted closely with Peter on many of his investments and business dealings.

43. Sheel and Peter's marriage in 2008 was the first for each of them. Sheel became the first person in her family (on either side) not to have an arranged marriage. It was a marriage based on deep love and mutual respect.

44. In 2012, Peter and Sheel were eager to build life together in San Diego, and to create a legacy for their children in the San Diego community. They decided that Peter would use some of the fortune he had amassed to purchase a stake in the San Diego Padres. Peter came from a family that had owned a professional baseball team and he hoped to share that experience with Sheel and their children. In 2020, Peter increased his stake in the team, becoming the principal owner and Control Person, a position that he exercised in constant consultation and partnership with Sheel.

45. Peter held nearly all of his major assets—including his ownership stakes in his private-equity firm, the Padres, and other business interests—in the Trust, of which he was the

trustee and the sole lifetime beneficiary. The Trust Instrument provided that upon his death, the Trust would be divided into the Exemption Trust and the Marital Trust, solely for Sheel's benefit during her lifetime, and several future trusts to benefit his children following Sheel's passing. His generation-skipping tax-exempt amount would transfer to the Exemption Trust and the remaining estate would flow to the Marital Trust, leaving all assets in the Seidler Trusts for Sheel's "exclusive benefit during her lifetime."

46. Peter made it clear in the Trust Instrument that Sheel is entitled to distributions at least quarter annually of all net income in the Exemption Trust and the Marital Trust. Additionally, she may receive principal distributions from the Marital Trust as required to provide for her needs for health, education, maintenance and support in her accustomed manner of living as of Peter's death.

47. The Trust Instrument named Peter's brother Bob as Successor trustee, followed by Peter's brother Matt, and then finally a third brother, John.

48. Peter was an incredibly generous man, both with the community at large and with his brothers and extended family. He brought Bob and Matt into his private-equity business and gave yet another brother, Tom, a minor job with the Padres that Peter paid for himself because he did not believe that the Padres should pay for Tom's work. He likewise gave John a board seat in one of his companies. While Peter lived, the brothers displayed good intentions toward Peter and Sheel, such that their potential roles as successor trustees seemed natural. But once Peter passed, everything changed—Bob and Matt turned their focus to exploiting the Seidler Trusts' assets for their own benefit, to Sheel's great detriment and dismay.

49. After Peter's death, Defendants represented to Sheel that Peter's estate, while sizeable, was saddled with significant and urgent debt obligations and faced an impending liquidity

crisis. Defendants touted this false narrative for several months. Defendants told Sheel that the situation was so dire that, despite the vast wealth of the Seidler Trusts, she had to take out a loan of \$2.45 million to purchase real property that she and Peter had decided to purchase before he unexpectedly died. Those representations were not true. Peter had always been disciplined with their finances and kept the Trust profitable.<sup>4</sup>

50. There was no urgent debt obligation of the Estate or Seidler Trusts and the Seidler Trusts held interests in multiple liquid assets that could have been sold or otherwise monetized or financed. Moreover, even assuming that liquidity was not available and financing were needed, subscription lines of credit against future carried interest are common and were readily available to the Seidler Trusts. Of course, taking any of those actions—as any trustee acting in good faith would have done—would not have enriched Defendants. Using the fiction of a cash crunch, Defendants instead used their position to unfairly benefit themselves at the expense of the Seidler Trusts and at Sheel’s expense as the sole rightful beneficiary.

51. Bob was the initial executor and successor trustee for approximately six months after Peter’s death. In May 2024, Sheel was advised by Matt that Bob was resigning and Matt would become her successor executor and trustee. Matt started acting as trustee in June 2024 and was appointed successor executor in September of 2024, and currently holds both positions.

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<sup>4</sup> Defendants have also deeply disrespected Peter’s legacy, and propped up their own self-interest, by publicly attempting to portray Peter as a cowboy who was irresponsible with the Padres payroll. This could not be further from the truth. Peter was disciplined with the Padres finances. The false narrative that the Padres were in financial trouble was dispelled publicly by Padres CEO Erik Greupner, in a statement he made at the end of 2023: “The Padres organization continues to have access to all the resources, financial and otherwise, it needs to field a championship caliber team for the fans of San Diego.” Mike Ursery, *No, the Padres are not in financial trouble*, East Village Times, <https://tinyurl.com/4tjdj7mw>.

52. As executor and/or trustees, Bob, and then Matt, breached their fiduciary duties to Sheel in at least the following ways:

**B. SKMC Redemption**

53. In 1992, Peter founded a private-equity firm called Seidler Equity Partners (“SEP”), which became highly successful. He began that business by himself with a rented phone and desk, crisscrossing the country in pursuit of equity-investment opportunities. As it grew, he gave his brothers the opportunity to join the business he had created—including in 2003 bringing his brother Bob and business associate Eric Kutsenda (“Kutsenda”) along as partners and later bringing in Matt as a partner. While Peter always kept the principal stake in the firm, he allowed them to join him as minority owners. Today, according to its website, SEP manages approximately \$5 billion in assets.

54. SEP’s management company, SKMC, receives management fees from SEP funds and also has certain carried interest stakes. At the time of Peter’s death, the Seidler Trusts owned the plurality interest in SKMC. Bob and Matt held minority ownership stakes.

55. By the express terms of the Trust Instrument, following Peter’s death, the Trust’s interest in SKMC passed to the Marital Trust, with Sheel as its sole lifetime beneficiary. The Marital Trust’s interest in SKMC was a unique and valuable asset.

56. In clear contravention of their fiduciary obligations, and to take the benefits by SKMC for themselves, Bob, as trustee, used his fiduciary power and the fiction of a cash crunch to cause the Seidler Trusts sell its interest in SKMC at a price substantially below its fair market value. The transaction was structured as a “redemption,” meaning that Bob and Matt (themselves owners of SKMC) directly benefitted. Bob and Matt took it upon themselves to agree on the redemption value, as well as the timing and structure of the payments to the Seidler Trusts. This was a terrible deal for the Seidler Trusts, but provided substantial benefits to the Defendants.

57. Despite his obvious conflict of interest, Bob executed the so-called “Redemption Agreement” for both sides of the transaction—purportedly on behalf of the selling Trust and on behalf of the acquiring private-equity firm.

58. Notably, Bob and Matt were not required to sell the Seidler Trusts’ interest in these entities. If necessary, the Seidler Trusts could have freed up or obtained money to satisfy the relatively modest capital contributions required to maintain the interest in SKMC. Nevertheless, Bob and Matt chose to extinguish the Seidler Trusts’ right to lifetime distributions in exchange for below-market-value cash payments. In so doing, Bob increased the ownership for himself and Matt. This breach of trust resulted in a loss to Sheel—and a corresponding gain of millions in long-term profit to Bob and Matt.

59. When Matt became successor trustee in June 2024 and the concerns regarding this transaction were raised with him, he failed to redress Bob’s actions. That was unsurprising given that Matt was involved in this transaction and executed it on behalf of SKMC.

60. No doubt aware that their scheme was wrongful, Bob and Matt went to great lengths to hide the nature and extent of their self-dealing. For example, information used to justify the transaction, and on which Defendants intended Sheel rely, was misleading at best. Likewise, Defendants failed to account for similar sales of minority interests in private-equity management firms.

61. Sheel was forced to engage legal counsel before Defendants provided her with documents that revealed the unfairness of the Redemption Agreement. And she still has not received the information necessary to account for the full costs of their actions, despite her repeated requests for such information and her right to receive the information as the Seidler Trusts’ sole lifetime beneficiary.

62. After discovering Defendants' wrongdoing, Sheel and her counsel confronted Defendants in an attempt to resolve this dispute without litigation. When Defendants realized they had been caught, they unilaterally purported to rescind the Redemption Agreement—a clear display of their consciousness of guilt. In other words, only when caught and their own self-interests were implicated did Defendants act.<sup>5</sup>

63. But Defendants could not help themselves from finding yet another way to enrich themselves using the Seidler Trusts' assets. Simultaneously with “rescinding” the Redemption Agreement, Defendants purported to also cancel an entirely separate and unrelated agreement that secured the Seidler Trusts' valuable right to carried interest associated with the private-equity firm and its funds. This maneuver deprived the Seidler Trusts of carry worth many millions of dollars, and left Sheel in a worse position than before the Redemption Agreement. These carried-interest rights had been left untouched by the Redemption Agreement. Canceling the entirely separate agreement that secured those carry rights had no arguable benefit to the Seidler Trusts.

64. Again, Matt and Bob personally benefited from this second transaction between the Seidler Trusts and SKMC. Like his brother did before, Matt executed both sides of the conflicted “Rescission Agreement,” without notice to nor consent from Sheel prior to execution.

65. Bob's and Matt's actions and inactions as trustees with respect to the SKMC Redemption and Rescission transactions were intentional breaches of their fiduciary duties, bad faith self-dealing, the product of fiduciary fraud, and recklessly indifferent to Sheel's interests as beneficiary.

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<sup>5</sup> The purported rescission also violated a separate standstill agreement that Sheel and Matt (who had become Trustee in June 2024) agreed to during the parties' pre-litigation resolution negotiations, which precluded Matt from entering into “any material Trust ... transactions.” True to form, Matt ignored his obligation when he entered into the rescission on behalf of the Trust.



**C. Padres Control Person**

66. Defendants have also breached their duties to Sheel by taking for themselves the economic and intangible benefits associated with the Seidler Trusts' ownership stake and control rights in the San Diego Padres.

67. Defendants have used their control of the Seidler Trusts to wrest control of the Padres away from Sheel and effectively freeze Sheel out of the Padres organization. They have done so to obtain the economic and intangible benefits of being the principal owner and Control Person of a baseball team for themselves, all the detriment of the Seidler Trusts and their assets.

68. As described above, MLB rules require each team to have a Control Person. The trustee under the Trust Instrument has the right to nominate a Control Person, subject to MLB approval. The trustee's duty and power to nominate the Padres Control Person must be carried out as part of the trustee's duties to Sheel, as the sole beneficiary. Peter, who through the Trust controlled the very same team interests bequeathed to the Marital Trust for Sheel's benefit, served as the Control Person before his death.

69. The role of Control Person, however, is crucial, as it provides significant power over the management and business affairs of the ballclub, including the right to approve material economic transactions, block sales of the team, and otherwise protect the economic rights of the principal owner. The Control Person may also attempt to restrict transfers of assets of the Trust. It is a position of not only significant economic value but also significant intangible personal value to Sheel, as it conveys the rights to control the future of the franchise and related ownership interests that her husband had long intended to bequeath to his wife and children.

70. As discuss previously, when Peter purchased the Padres, he did so for the purpose of securing a legacy for Sheel and their children. Peter and Sheel purchased their first substantial stake of the Padres in 2012, shortly after Sheel gave birth to their first child. In 2020, they

increased their stake, becoming the largest shareholders. Peter and Sheel always envisioned that their children would take on larger roles within the Padres as they got older, and eventually run the organization themselves, with Sheel stewarding the Padres until that could happen. As Peter once told the L.A. Times: “Myself and my family, we will own this franchise for the next 50, 75 years . . . hopefully more.”<sup>6</sup> In numerous such statements over the years, Peter inarguably meant his wife and their children when talking about his “family’s control.” He rarely spoke of his siblings publicly and never in the context of running the Padres.

71. During Peter’s life, Sheel served as his closest adviser as he navigated the duties of being the Chairman and Control Person of a professional baseball franchise. They discussed the business and operations of the Padres daily, and Peter regularly sought her counsel, including on controversial and highly sensitive issues. She reviewed potential hires. She interfaced with players’ agents. She attended owners’ meetings and held strategy sessions with Peter during breaks. They also talked about their plans for signing top player talent.

72. Peter also integrated Sheel into the culture of the Padres. He brought Sheel and their children to batting practice before games. They spent weeks at spring training to foster relationships with the players and coaches. And, over time, as she watched the team flourish under Peter’s leadership, Sheel developed an intimate knowledge of what it took to turn the Padres franchise into a playoff contender and source of pride for the city of San Diego and Padres fans around the world. Peter’s vision was shared with his wife. She truly understands and appreciates the Peter Seidler Way—a term that refers to his values when it came to owning the Padres, which

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<sup>6</sup> Bill Shaikin, *LA Times: Padres’ Peter Seidler, baseball’s risky spender: ‘There’s a risk to doing nothing’*, LA Times (February 21, 2023), <https://tinyurl.com/528sssx9> .

will be memorialized as the name of the street in front of Petco Park, the Padres' stadium. Peter and Sheel intended that, after his passing, she would control the Padres and carry on his legacy.

73. None of this is mere conjecture. Peter named Sheel the sole lifetime beneficiary of the Trust's assets after his death, and the Padres is the largest asset. The Trust remains the largest owner of the Padres. And Peter authorized the trustee, acting in their fiduciary capacity—which means for the benefit of its sole beneficiary, Sheel—to nominate the Control Person. Thus, the trustee must make this decision in accordance with Sheel's best interests—tangible and intangible.

74. As described above, Peter memorialized his wishes in a written list of the individuals he wanted to control the team in the event of his demise—numbered in order. At the top of that list—number 1—was Sheel, followed by their children from oldest to youngest, listed as numbers 2 through 4.<sup>7</sup> Peter listed Matt as number 7 and John as number 8.

75. As Peter struggled to fight a serious infection, and Sheel turned her focus to his care and their children, and liaising on his behalf for business matters, Peter and Sheel decided to temporarily install Kutsenda to serve as Interim Control Person only until Peter was healthy and ready to reassume his duties. Following Peter's unexpected death, Kutsenda has remained in this role and undertaken a scope of conduct far beyond that ever contemplated by Peter and Sheel.

76. A few days after Peter's death, Bob and Kutsenda informed Sheel that Kutsenda's appointment as Interim Control Person of the Padres had "leaked" to the press. At that time, Sheel expected a seamless transition in which Bob and Kutsenda would act as a representative for Sheel and her children's interests with respect to the Padres, to allow Sheel the necessary time to grieve

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<sup>7</sup> This list mirrors the desires Peter expressed on his deathbed to his oldest child, Sadie—that she should one day lead the team and get the guidance from her mother to continue fielding a winning franchise in The Peter Seidler Way.

and determine how best to move forward—whether by assuming the role of Control Person herself or by appointing someone else whom she trusted fill that role.

77. Instead of honoring this period of transition and vulnerability, Bob and Matt used it as an opportunity to exploit Sheel's trust and grief. Defendants implemented a plan to systematically usurp the Seidler Trusts' stake in the Padres, prioritizing their own benefit over the interests of Sheel and her children, in direct violation of their fiduciary duties.

78. After Peter's death, Bob and then Matt chose to use their powers as trustee to impede Peter's vision and block Sheel from having a voice in the affairs of the largest asset in her trust. They did not make clear the process to appoint the next Control Person or the impact it would have on the Seidler Trusts' assets, notwithstanding their duties of disclosure and obligations to put her interest above their own. Neither Bob nor Matt has even interviewed her or attempted to engage in a process with her to evaluate her suitability to be Control Person (a position that has for generations included the spouses or children of deceased MLB owners). Neither is Sheel aware of any attempt by them to interview the Padres' current General Manager or Manager or otherwise perform the due diligence required to make a decision that is to be made *for her best interest*.

79. When she was able to obtain more information, Sheel advised Matt that she believed she was the appropriate person to be appointed the Padres Control Person. Yet, despite Peter's wishes and Sheel's status as the largest beneficial owner of the club, they rejected Sheel's request to be appointed Padres Control Person. Instead, Defendants have attempted to transfer control rights to their brother John Seidler to consolidate their own control and the benefits of being the Padres' principal owner for themselves and their family members—a family that they do not consider Sheel to be part of, as demonstrated by their actions and inactions, as well as

Alecia Seidler's repulsive messages described above.<sup>8</sup> The brothers continue to treat the team as their own plaything to be passed back and forth on their whim, to the detriment of the true beneficial owner of the largest equity interest in the team, Sheel.

80. The decision to nominate and promote John as the potential Control Person is an intentional act of self-dealing and otherwise intentional breach of fiduciary duties made in bad faith and with reckless indifference to Sheel's interests. These actions were done, over Sheel's objection, for the purpose of allowing Bob, Matt, and the Seidler brothers to exercise control over the ballclub, effectively transforming their smaller ownership interests into a controlling share so that they could reap the benefits of control, while divesting Sheel and depriving her of control, access to information, and significant economic benefits.

81. The decisions cannot possibly have been based on sound fiduciary principles. While Sheel was being prepared by Peter to assume his role of principal owner, Chairman, and Control Person of the Padres until their children could join and ultimately succeed her, John had no real involvement with the Padres. He is an engineer without professional involvement with the Padres at any time before or after Peter's death. Indeed, Matt asserts as John's primary baseball qualification that "he is a grandson of Walter O'Malley" and "has been around Baseball his whole life"—showing that the Seidler brothers believe that, as O'Malley male descendants, they somehow deserve control by virtue of their lineage, as if the Padres were a medieval duchy.

82. Peter had different values. He was the only sibling to have an inter-faith and inter-racial marriage. He often told Sheel that he believed his mother would have been the greatest owner in baseball if she had not been denied that opportunity on the basis of her sex. Peter was

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<sup>8</sup> Alecia Seidler's messages were not an isolated incident—she has repeatedly expressed similar sentiments to Sheel over the past year.

determined to correct course. In January 2023, he celebrated the Padres' promotion of Caroline Perry to her current position of Chief Operating Officer—the highest-ranking female employee in Padres history and one of only two female COOs in Major League Baseball. He hosted a party for Caroline and brought his and Sheel's daughter Shanti to show her a glimpse of the future he was creating for her.

83. Sheel has years of direct experience of working with Peter's well-regarded values and saw their impact on the operations of the Padres. She has the benefit of individually building a strong rapport and working relationship with Padres players and baseball management. She is a lawyer and, in preparation to be the executive in charge of the team, has assembled an impressive roster of individuals with significant baseball and business experience to serve as advisors and executives, including individuals who have served in senior baseball operations and financial positions with MLB and the Padres. As the sole beneficiary of the Marital Trust, she is the largest beneficial owner of the Padres, and her interests are aligned with all the other owners to maximize the Padres' value. And she would be the first minority woman to serve as an MLB Control Person—ever. But, to hear Matt tell it, she lacks the “experience, skills and financial acumen necessary to fulfill the responsibilities of this important role.”

84. Notably, before nominating John to be Control Person on December 21, 2024, Matt made no effort to determine Sheel's plans for the team or who her advisors would be before summarily denying her request to be appointed Control Person. Instead, he simply declared that she could not possibly have the qualifications to be an appropriate Control Person—a pretext to justify appointing his brother John to that position.

85. Not only have Defendants denied Sheel's request to be nominated as Control Person, but Defendants have effectively frozen Sheel out of the Padres entirely. Despite her years

of experience helping Peter manage the Padres, Defendants have told Padres players, coaches, front-office, and support staff to refrain from talking to Sheel, even though she is the team's largest beneficial owner and the team's general manager and manager have routinely discussed crucial ownership issues with her over a number of years. Meanwhile, general information typically provided to owners, like guest lists for the owner's suite, have been withheld from Sheel. Her scheduled appearances with members of Padres media department have been cancelled with no explanation. She has been excluded from participating in events regarding Peter's legacy and their shared commitment to philanthropic ventures like fighting homelessness. Padres employees have been told that Sheel is not an owner and should deny her requests for game security. And remarkably she and her and Peter's children are no longer invited to, and their presence is no longer welcome in, the Padres' owners' box—while the Seidler brothers continue to make use of it. All of this demonstrates the Defendants' concerted effort to divest Sheel of the tangible and intangible benefits of ownership while using the assets of the Seidler Trusts for their own benefit.

86. Strikingly, Matt as trustee has refused to commit to maintain Sheel's Marital Trust's status as the largest single shareholder of the Padres, raising the specter that the team she helped build with her husband could be taken away from her family. Indeed, Matt's efforts to promote his brother John as Control Person and to block Sheel may well be part of his efforts to sell, and perhaps relocate, the team, over Sheel's strident objections. In any event, they are a clear breach of his fiduciary duties to Sheel.

87. Meanwhile, lawyers hired by entities controlled by Matt, Bob and/or the Seidler Trusts have repeatedly threatened Sheel. One law firm accused her of breaching confidentiality by, of all things, reading emails maintained by her late husband and shared with her about the financial state of the Padres. The firm claimed that Sheel—who now beneficially owns more of



the Padres than anyone else, and with whom Peter had shared such information with during his lifetime—“has no right to access” this information about the Padres. According to that law firm, it raised a “host of serious concerns” for Sheel to see the very type of information about the Padres that had been sent to Peter when he held the same interests through the Trust’s predecessor (and which Sheel regularly reviewed while Peter was alive). More recently, Defendants caused that law firm (which they claim represents the Padres) to tell Sheel that they have “no intention to provide [Sheel] with existing documents.” Incredibly, Defendants have used Trust funds to pay the lawyers to make these threats against Sheel.

88. Defendants have thus weaponized the wealth of the Seidler Trusts against its sole beneficiary in a blatant attempt to cow her into submission and keep her in the dark about the Seidler Trusts’ assets, hoping to dissuade her from wanting to have anything to do with the Padres.

89. Defendants’ actions to wrest control of the Padres were undertaken to force Sheel—a woman, an interloper, and an Indian-American woman not of O’Malley descent—from what Bob and Matt saw as their family business and ancestral right. Any doubts as to their motives, the contempt in which they hold Sheel, and the extent to which it clouded their judgment and incapacitated their ability to serve as trustees, were resolved on October 15, 2024, in the profanity-laced email sent to Sheel by Bob’s wife, Alecia, copying Bob. Alecia Seidler was right in one respect: neither Bob nor Matt ever did work to advance and protect Sheel’s interests, despite their obligations to do exactly that.

#### **D. Failures to Disclose Trust Information**

90. To conceal their wrongdoing, and in flagrant violation of their duty of disclosure, Defendants have denied Sheel’s requests for basic information about the Seidler Trusts’ assets and transactions to date, while threatening to punish her for expecting them to comply with their duties of disclosure, including basic information about the financial condition of the team she owns.

91. It should be noted that following Peter's death, Bob and then Matt hired the law firm of Gray Reed. Prior to Peter's death, Gray Reed had been retained by both Peter and Sheel in their estate planning matters, including drafting the amended Trust Instrument. When Sheel started becoming increasingly concerned about lack of disclosures and Bob's actions and inactions as executor and trustee and began asking for basic information about the Seidler Trusts assets, Gray Reed and Bob remarkably refused to provide this basic information about the assets held for her benefit unless she executed an egregious Non-Disclosure Agreement. Tellingly, even after she was forced to sign the Non-Disclosure Agreement, information was not provided. And when she finally hired new counsel to advise her, Matt continued to withhold documents for months, using the Non-Disclosure Agreement as both a sword and a shield.

92. What is now clear is that Defendants sought not just to keep Sheel in the dark, but also to keep her silent. When Sheel expressed concerns about Bob's and Matt's behavior to other relatives, Matt enlisted lawyers to intimidate her into silence with threats of a defamation suit, and incredibly spent Trust assets to do so. Sheel immediately ceased communicating with the family, including her sisters-in-law, at this time for fear of Matt suing her and draining her resources even more.

93. Matt also enlisted counsel purporting to represent the Padres and SKMC to stonewall Sheel's requests for information about the Seidler Trusts' interests in those entities by citing contrived excuses, again paying these lawyers with Trust funds to deny the beneficiary her basic rights. Payments that were only revealed in December 2024 when Matt was finally forced to produce a cash ledger of Trust accounts revealing that Matt spent Trust funds on these lawyers.

94. Sheel's independent counsel also requested disclosure of the status of Matt's intentions and plans for the appointment of the Padres Control Person and notice of any plans prior

to taking actions that would impact the Seidler Trusts' rights, as failing to provide such notice would cause irreparable harm to Sheel. This request included a request for documents that would identify the family and company obligations due by and to Peter and several closely held companies in which Peter's estate and the Seidler Trusts hold a significant interest, including, in part, account statements, asset appraisals, governance documents, redemption agreements, notes and other debt instruments, and gift tax returns.

95. Since that time, Matt, directly and through his various counsel, has made clear that he is unwilling to fulfill his fiduciary duties to Sheel. Matt dribbles out some information but continues to withhold material information from Sheel and has taken the untenable position that he is not required to make certain disclosures or distributions to his fiduciary. For example, Matt has declined to give Sheel monthly updates regarding the Padres—the largest asset held by the Seidler Trusts. Matt has refused to disclose whether he intends to take actions that would dilute Sheel's Marital Trust's interest in the Padres—such as bringing in additional investors. And as set forth above, lawyers purportedly speaking for the Padres entities that he controls, *in his capacity as trustee*, have written to Sheel threatening legal action against her. Recently, yet another firm wrote a threatening letter claiming that Sheel “potentially expos[ed] confidential Trust information” by expressing concerns about Matt's actions as trustee.

**E. Failure to Fund the Successor Trusts and Make Proper Distributions**

96. Matt and Bob have violated the terms of the Trust Instrument by failing to fund the Exemption Trust and the Marital Trust. Per the express terms of the Trust Instrument, upon Peter Seidler's death, all probate assets are to be added to the Trust and the trustee is required to distribute from the Trust (a) a generation-skipping tax-exempt amount to the Exemption Trust, (b) a charitable gift to the University of San Diego, and (c) all other assets to the Marital Trust. To

date, first Bob and now Matt have failed to confirm they have distributed a single dollar to the Exemption Trust or the Marital Trust.

97. The Trust Instrument also requires the trustees to distribute all net income from the Exemption Trust and the Marital Trust to the beneficiary at least quarterly. Additionally, it provides for distributions of principal from the Marital Trust to provide for Sheel's needs for health, education, maintenance and support in her accustomed manner of living she and Peter shared when he was alive.

98. Yet, despite generating tens of millions of dollars in what should have been income last year, Defendants failed to distribute the income to Sheel, instead using that income to pay their own attorneys' fees and to cover their own obligations.

99. Defendants have squeezed Sheel financially and forced her to act like a supplicant, dependent on their beneficence, rather than the sole living beneficiary of the Seidler Trusts and the person whose interests they must zealously serve. When Sheel requested a distribution so that she could fund personal expenses for herself and her children, Matt declined in an obvious ploy to attempt to weaken her—a widowed mother of three—and give him the upper hand in negotiations. Matt has even demanded that she provide him with a household budget as a pretext for denying Sheel's requests for distributions. In 2024, Defendants distributed less to Sheel than they made her borrow in a bridge loan. The Trust has yet to pay for her and her children's living expenses as required by the Trust Instrument and desired by her late husband.

100. Matt has also denied Sheel's requests for distributions to fund her legal expenses to investigate Trust issues, going back on his attorney's previous commitment to do so. Matt's counsel when so far as to state in writing that Sheel would have to exhaust her own assets if she

wanted to seek legal advice to protect her and her children's interests. In doing so, Defendants seek to insulate their own conduct by starving Sheel of the ability to challenge it.

**F. Misuse of Trust Funds**

101. Matt is far more generous with Trust assets when he stands to benefit. Egregiously, he spent the Seidler Trusts' funds to pay his own lawyers to defend his and Bob's breaches of fiduciary duties with respect to the SKMC transactions, assist in his efforts to usurp control of the Padres, stonewall Sheel's information requests, and threaten her with lawsuits in response to her raising issues with his administration of the Estate and Trust.

102. Because of Peter and Sheel's generosity, Bob and Matt were privileged to enjoy unique experiences that they would not have otherwise had. After Peter's death, they have greedily wielded the Seidler Trusts to continue their privileged lifestyle, while excluding Sheel and her children from what Peter bequeathed to Sheel.

103. Bob and Matt also have abused their position as trustee to use the Seidler Trusts effectively as their piggy bank to fund obligations that they otherwise would have had to fund with their own money. Thus, Defendants have prioritized their own interests (and pocketbooks) to the detriment of the interests of the Seidler Trusts.

**VI. Causes of Action**

104. In order to protect the Seidler Trusts and her rights, Sheel re-alleges and incorporates by reference the foregoing background allegations into each cause of action below:

**A. Active Participation in Breach of Fiduciary Duty**

105. As trustees of the Seidler Trusts, Bob and Matt owed fiduciary duties to Sheel—the sole lifetime beneficiary. The essence of a fiduciary duty is a responsibility to place the beneficiary's interests above all, including above any interest of the trustee himself. Bob initially chose to seek appointment as executor of the Estate and successor trustee of the Trust and initial

trustee of Sheel's Marital Trust and Exemption Trust for approximately six months after Peter's death. Matt worked in concert with Bob to transition these roles to Matt beginning in June 2024. As such, Matt also had a duty to redress the actions of his predecessor trustee, Bob. Bob and Matt have repeatedly breached their fiduciary duties. Their breaches were intentional, in bad faith, recklessly indifferent to the interests of Sheel, and/or grossly negligent.

106. The elements of a claim for breach of fiduciary duty are: (1) the existence of a fiduciary relationship; (2) a breach of the fiduciary relationship; and (3) resultant injury or damage to plaintiff or a benefit to the defendant. A cause of action for breach of fiduciary duty arises when one with a fiduciary duty intends to gain additional benefit for himself. A finding that the breach was intentional is sufficient for damages, and a finding of malice is not required.

107. Bob's and Matt's breaches include: (i) breaches of their duty of disclosure and candor, (ii) breaches of their duty of loyalty; (iii) breaches of their duty of competence; (iv) breaches of their duty to distribute; (v) breaches of their duty to fund and administer the Exemption Trust and the Marital Trust; and (vi) improper self-dealing.

108. Matt has also breached his duty to redress the breaches of his predecessor trustee, Bob.

109. Bob and Matt's many breaches of their fiduciary duties have caused damages to the Estate, the Seidler Trusts, and to Sheel as the sole lifetime beneficiary.

**B. Breach of Duty of Disclosure**

110. A fiduciary has an affirmative duty to make a full and accurate disclosure of all material facts that might affect the beneficiary's rights. The breach of this duty is tantamount to fraudulent concealment. Moreover, under Texas law, an executor and a trustee have a fiduciary duty, upon request by the beneficiary, to furnish the beneficiary with all material information; to provide formal accountings; to inform the beneficiary of the nature and amount of the fiduciary

property; to inform the beneficiary of the fiduciary's management actions; to inform the beneficiary of the fiduciary's intent regarding the future administration of the fiduciary estate; and to allow the beneficiary to inspect the books and records.

111. As described above, Bob and Matt breached their duty to keep Sheel informed regarding the assets and activities of the Estate and Seidler Trusts. In particular, they failed to timely provide her adequate information about the significant financial transactions that they undertook to enrich themselves.

112. Matt continues to breach his fiduciary duties to Sheel because, despite her written requests, Matt has refused to fully disclose all material facts affecting Sheel's rights in the Estate and Seidler Trusts. Instead, Matt has provided partial disclosures, at best, including preliminary or draft reports concerning material financial transactions and other actions taken by the trustee.

113. Bob and Matt also failed to timely disclose certain financial transactions that materially impacted the Seidler Trusts assets and Sheel's interests as beneficiary.

114. Matt has also breached his duty to redress the breaches of his predecessor trustee, Bob.

### **C. Breach of Duty of Loyalty**

115. The duty of loyalty requires that a fiduciary place the interest of a beneficiary above his own and prohibits a fiduciary from using his position to gain any benefit for himself at the expense of the beneficiaries. The duty of loyalty is strictly applied. And here it has been flagrantly breached.

116. As discussed more fully above, Matt as the current executor and trustee and Bob as his predecessor breached their fiduciary duty of loyalty to Sheel. They consistently placed their own interests, the interests of other family members, and the interests of their business partners ahead of hers, including by blocking Sheel from being nominated to the role of Padres Control



Person, by using trust funds to avoid their own personal payment obligations, and by deciding to redeem the Seidler Trusts' interest in SKMC at a bargain-basement price that was only good for their personal interests. They enabled this behavior by creating a false liquidity crisis to frighten Sheel into compliance. They further concealed evidence of their wrongdoing and the true financial condition of assets Peter intended for her support.

117. Matt has also breached his duty to redress the breaches of his predecessor, Bob.

**D. Breach of Duty of Competence**

118. A beneficiary is entitled to have a competent fiduciary who acts in the best interest of their beneficiary.

119. As discussed more fully above, Bob and Matt have breached their duty of competence by engaging in the above-referenced improper, self-interested transactions on behalf of the Seidler Trusts, and scheming to appoint their brother to control the Seidler Trusts' largest asset, even though such an appointment is not in Sheel's and/or the Seidler Trusts' best interests.

120. Matt and Bob have further breached their duty of competence by hiring lawyers and bankers with conflicts of interest, failing to apprise Sheel of her options with respect to the various financial transactions they claimed were necessary to increase liquidity, making representations to her that were materially false and misleading, and failing to act as a prudent fiduciary.

121. Matt has also breached his duty to redress the breaches of his predecessor trustee, Bob.

**E. Breach of Duty to Distribute**

122. A trust beneficiary is entitled to receive financial benefits from a trust, and the trustee has a duty to make distributions in accordance with the trust instrument.

123. The Trust Instrument required that, upon Peter's death on November 14, 2023, the assets of the Trust be distributed to the Marital Trust and the Exemption Trust. Defendants have yet to comply with this express requirement.

124. Moreover, Sheel has been entitled to a distribution of all trust income since her husband's death. And the terms of the Marital Trust and Exemption Trust required such distributions to be paid at least quarter-annually. Compliance is required to qualify the Marital Trust pursuant to IRC Section 2056. Yet, now over a year after Peter's death, Bob and Matt have made minimal distributions to Sheel and have not complied with the Trust's express requirement.

125. In addition, she is entitled to distributions of principal to provide for her health, education, maintenance and support in same manner that she and Peter shared when he was alive. Despite Sheel's repeated requests for distributions to permit her to pay her normal living expenses, Matt has refused, instead insisting that Sheel first provide him with a budget.

126. Furthermore, Grey Reed initially agreed, in writing, that the Seidler Trusts would pay attorney's fees incurred by Sheel in connection with examining the Estate and trustee actions. But after Grey Reed abandoned its obligation to Sheel and began advising only Matt, they informed Sheel that Matt was now refusing to make distributions from the Seidler Trusts to Sheel for purposes of paying her legal fees and expenses. The clear objective was to deprive Sheel of the ability to pay counsel that would question and expose the past fiduciary breaches and continuing wrongdoing. And while the initial requested payment was finally received, Matt has again refused to make further distributions to cover Sheel's legal expenses, in an effort to squeeze Sheel into capitulation. All the while, Defendants have spent significant amounts of Trust funds on their own lawyers.

127. Matt has also breached his duty to redress the breaches of his predecessor, Bob.

## **F. Common Law Fraud**

128. To protect the Seidler Trusts and her rights, Sheel affirmatively pleads that Matt and Bob have engaged in common law fraud—specifically, actual fraud and constructive fraud.

129. The elements of fraud are 1) a material misrepresentation was made; 2) the representation was false; 3) when the representation was made, the speaker knew it was false or made the statement recklessly without any knowledge of the truth; 4) the speaker made the representation with the intent that the other party should act on it; 5) the party acted in reliance on the representation; and 6) the party suffered injury as a result of the misrepresentation.

130. In actual fraud, there must be fraudulent intent. Constructive fraud encompasses breaches that the law condemns as fraudulent because they tend to deceive others or violate confidences. Constructive fraud is the breach of a legal or equitable duty which the law declares fraudulent because it violates a fiduciary relationship.

131. A defendant is liable for aiding and abetting when he provides substantial assistance and encouragement to a wrongdoer in a tortious act.

132. Matt's and Bob's actions constitute both actual and constructive fraud. As described above, Matt and his predecessor Bob, as executors and trustees, made a number of knowingly false, and material misrepresentations to Sheel, in part, to attempt to cover up the numerous breaches of their fiduciary duties and the self-dealing that were taking place without her knowledge. Matt's and Bob's breaches of their fiduciary duties, described above, also gives rise to Sheel's claims for constructive fraud.

133. These acts of actual and constructive fraud have damaged Sheel and the Seidler Trusts, in part by diminishing the value of the Estate and Seidler Trusts and their assets. Sheel therefore seeks to find Matt and Bob liable for common law fraud.

#### **G. Conversion of Trust Property**

134. To protect the Seidler Trusts and her rights, Sheel brings a cause of action against Bob and Matt for conversion. The elements for a cause of action for conversion are: 1) the plaintiff owned, possessed, or had the right to immediate possession of property; 2) the property was personal property; 3) the defendant wrongfully exercised dominion or control over the property; and 4) the plaintiff suffered injury.

135. Matt and Bob incurred debts in the name of the Seidler Trusts, and, without Sheel's knowledge and with no regard for its impact on the Seidler Trusts, and liquidated Trust assets in order to satisfy this debt in a manner that ultimately benefitted and enriched Matt and Bob to the detriment of Sheel. Furthermore, to the extent such actions were taken by Bob, as the prior trustee, Matt has failed to redress Bob's breaches.

136. Accordingly, for the foregoing reasons, Sheel seeks to find Matt and Bob liable for conversion of trust property.

#### **H. Money Had and Received**

137. To protect the Seidler Trusts and her rights, Sheel brings a cause of action for money had and received against Matt and Bob.

138. Money had and received is an equitable doctrine used to prevent unjust enrichment. A cause of action for money had and received looks only to the justice of the case and inquires whether the defendant has received money which rightfully belongs to another. The elements of a cause of action for money had and received are 1) the defendant holds the money, and 2) the money belongs to the plaintiff.

139. As described above, Matt and Bob usurped the Seidler Trusts' assets for their own benefit, depriving Sheel of money that is rightfully hers.

140. Sheel therefore seeks to find Matt and Bob liable for money had and received.

## **I. Gross Negligence**

141. Sheel affirmatively pleads that Matt and Bob were grossly negligent in their dealings with the Estate and Trusts. Further, Matt's and Bob's actions were intentional, malicious, and so reckless that they constitute gross negligence for which Sheel and the Seidler Trusts are entitled to actual and punitive damages.

142. To prevail on a cause of action for gross negligence, Sheel must show 1) an act or omission that, when viewed objectively from the defendant's standpoint at the time it occurred, involved an extreme degree of risk, considering the probability and magnitude of the potential harm to others and (2) that the defendant had an actual, subjective awareness of the risk but proceeded with a conscious indifference to the rights, safety, and welfare of others.

143. As established above, Matt and Bob were grossly negligent in their mismanagement of the Estate and Seidler Trusts and the actions that constitute breaches of their fiduciary duties.

## **VI. Demand for Accounting**

144. Pleading further and without waiving the foregoing or any other demand for accounting previously made, Sheel demands a complete accounting which complies with the provisions of the Texas Estate Code and the Texas Property (Trust) Code for the Estate and all Seidler Trusts under which Bob, initially, and now Matt, have been appointed as an executor or trustee.

145. A beneficiary, by written demand may request the trustee to deliver to the beneficiary of the trust, a written statement of accounts covering all transactions since the last accounting or since the creation of the trust, whichever is later. A beneficiary of an estate has a similar right.

146. A fiduciary has an affirmative duty to make a full and accurate confession of all his fiduciary activities, transactions, profits, and mistakes. The existence of strained relations between parties does not lessen a fiduciary's duty of full and complete disclosure.

147. The breach of the duty of full disclosure is tantamount to fraudulent concealment. A beneficiary is not required to prove the elements of fraud, and need not even prove that he or she relied on the fiduciary to disclose the information. Equity implies a constructive fraud in such situations, even if the beneficiary suffered no actual damages and even if the fiduciary acted in good faith.

148. Even if a trustee violated no other fiduciary duties, the failure to disclose his or her activities may nonetheless result in liability. A fiduciary will be liable if he knowingly fails to disclose harmful information regarding his dealing with trust assets.

149. Sheel hereby makes demand upon Bob and Matt to provide a full, complete accounting for all actions each of them has taken as formal and informal fiduciary to Sheel and as executor of the Estate and/or trustee of the Seidler Trusts.

## **VII. Application for Removal of Trustee Under 113.082**

150. Sheel incorporates the facts detailed in the foregoing paragraphs by reference as if fully set forth below.

151. Sheel seeks the removal of Matt as trustee of the Seidler Trusts, pursuant to Section 113.082 of the Texas Property (Trust) Code.

152. Section 113.082 provides that a trustee may be removed "in accordance with the terms of the trust instrument": if "the trustee materially violated or attempted to violate the terms of the trust and the violation or attempted violation results in a material financial loss to the trust"; if "the trustee fails to make an accounting that is required by law"; or "if the court finds other cause for removal."

153. “[T]he removal decision turns on the special status of the trustee as a fiduciary and the ongoing relationship between trustee and beneficiary, not on any particular or discrete act of the trustee.” *Ditta v. Conte*, 298 S.W.3d 187, 191 (Tex. 2009) (holding that no statute of limitations period applies in a trustee-removal suit); *see also In re Est. of Bryant*, No. 07-18-00429-CV, 2020 WL 1174586, at \*10 (Tex. App. Mar. 11, 2020) (upholding trial court’s removal of trustee for “other cause” where trustee and beneficiary were “battling siblings with a caustic relationship, operating in an atmosphere of acrimony and mutual distrust”). Removal is proper when a trustee has committed a breach of trust, and their role as trustee is compromised due to their tenuous relationship with the beneficiary, and the potential for injury to the trust would remain if trustee was in that role. *Ditta*, 298 S.W.3d at 192. “While removal actions are sometimes premised on a trustee’s prior behavior, they exist to prevent the trustee from engaging in further behavior that could potentially harm the trust. Any prior breaches or conflicts on the part of the trustee indicate that the trustee could repeat her behavior and harm the trust in the future. At the very least, such prior conduct might lead a court to conclude that the special relationship of trust and confidence remains compromised.” *Id.* at 192.

154. Here, the following grounds for removal exist:

- a. Matt conspired to and actively participated in breaches of trust, including breaches that were in bad faith, intentional, recklessly indifferent to the interest of the beneficiary, and/or grossly negligent, as set forth above;
- b. Matt breached his duty of disclosure, as set forth above;
- c. Matt breached his duty of loyalty, as set forth above;
- d. Matt breached his duty of competence, as set forth above;
- e. Matt breached his duty to distribute per the terms of the Trust Instrument, as set forth above;
- f. Matt breached his duty to follow the terms and purport of the Trust Instrument, as set forth above;
- g. Matt committed common law fraud with respect to the Seidler Trusts, as set forth above;
- h. Matt converted the Seidler Trusts’ assets, as set forth above;

- i. Matt caused a caustic relationship between himself as trustee and the sole lifetime beneficiary of the Seidler Trusts, Sheel, and created an incurable atmosphere of acrimony and mutual distrust;
- j. Matt has caused substantial financial harm to the Seidler Trusts, and continues to threaten to harm the assets of the Seidler Trusts and Sheel's interest in those assets, as set forth above;
- k. Matt has compromised the trustee-beneficiary relationship;
- l. Matt has failed to act in accordance with the terms of the Trust Instrument by, for example, failing to distribute assets to the Marital Trust and the Exemption Trust and by failing to distribute net income from those trusts to Sheel.

155. For these reasons, Sheel requests that this Court remove Matt as trustee of the Trust, pursuant to Section 113.082 of the Texas Property (Trust) Code and appoint a successor trustee pursuant to Section 113.083 of that Code.

#### **VIII. Application for Temporary Injunctive and Other Relief Pursuant to Texas Property Code Section 114.008**

156. To protect the Seidler Trusts and her rights, Sheel incorporates the facts detailed in the foregoing paragraphs by reference as if fully set forth below.

157. Further, or alternatively, Sheel requests additional relief pursuant to Section 114.008(a) of the Texas Property (Trust) Code, which provides that to "remedy a breach of trust that has occurred or might occur," this Court may:

- a. Compel the trustee to perform the trustee's duty or duties;
- b. Enjoin the trustee from committing a breach of trust;
- c. Compel the trustee to redress a breach of trust, including compelling the trustee to pay money or to restore property;
- d. Order a trustee to account;
- e. Appoint a receiver to take possession of the trust property and administer the trust;
- f. Suspend the trustee;
- g. Remove the trustee as provided under Section 113.082;
- h. Reduce or deny compensation to the trustee;
- i. Subject to Subsection (b), void an act of the trustee, impose a lien or a constructive trust on trust property, or trace trust property of which the trustee wrongfully disposed and recover the property or the proceeds from the property; or
- j. Order any other appropriate relief.

TEX. PROP. CODE § 114.008(a).



158. A showing of “some evidence” that supports a breach of trust is all that is required to impose a remedy under § 114.008(a). *See Estate of Hoskins*, 501 S.W.3d 295, 312 (Tex. App.—Corpus Christi 2016, no pet.). In *Hoskins*, the court used Texas Property (Trust) Code § 114.008(a) to impose a remedy for the harm inflicted by the trustee after concluding that “there is some evidence in the record which supports the conclusion that [the trustee] breached the trust.” *Id.* at 308 & 312. Similarly, in *Benson*, there was no abuse of discretion for the court to exert its authority under Texas Property (Trust) Code § 114.008(a) when evidence in the record demonstrated a breach of trust. *See Estate of Benson*, No. 04-15-00087-CV, 2015 WL 5258702, at \*6 & \*9 (Tex. App.—San Antonio Sept. 9, 2015, pet. dismiss’d) (holding no abuse of discretion when using authority under Texas Property (Trust) Code § 114.008(a)(5) to appoint a co-receiver after finding evidence of a breach of trust).

159. In addition to Section 114.008, this Court may grant other interim relief available under the Texas Property Code and the Texas Rules of Civil Procedure and the Civil Practice and Remedies Code.

160. The facts of this case warrant immediate temporary relief because Matt has neglected his fiduciary duties to the Seidler Trusts, has breached material provisions of the Trust Instrument, has caused substantial financial harm to the Seidler Trusts, and continues to threaten to harm the assets of the Seidler Trusts and Sheel’s interest in those assets.

161. Pursuant to Section 114.008 of the Texas Property (Trust) Code, Sheel respectfully requests that the Court take the following, non-exhaustive, list of actions against Matt, from now until final removal of Matt as trustee or a final trial on the merits or other orders of this Court:

- a. Enjoin the Defendants from taking any other actions as trustee of the Seidler Trusts;
- b. Remove Matt as trustee as provided under Section 113.082;
- c. Deny compensation from the Seidler Trusts or Sheel to the Defendants and their agents;

- d. Void any actions by the Defendants to advance any individual other than Sheel (or someone Sheel expressly approves in writing after this date) as Control Person of the Padres;
- e. Order the Defendants to account for all actions taken in their capacity as trustee of the Seidler Trusts;
- f. Compel the Defendants to redress their breaches by restoring the value of any Trust property or assets converted while the Defendants were trustee of the Seidler Trusts;
- g. Appoint a receiver to take possession of the trust property and administer the trust property and the Seidler Trusts consistent with the Trust Instrument, which, among other things, mandates compliance with MLB requirements;
- h. Compel the successor trustee to fund the Exemption Trust and the Marital Trust as required under the Trust Instrument;
- i. Compel the successor trustee to make distributions to Sheel as required under the Trust Instrument; and
- j. Such other appropriate relief available to protect the Seidler Trusts.

## **IX. Damages**

162. Actual damages: Based upon the foregoing, Plaintiff seeks actual damages against Defendants for the damage caused to Plaintiff's interests in the Estate and Seidler Trusts, and all other assets owned or held by any such trust or in which Plaintiff has a legal and/or equitable interest.

163. Disgorgement, Fee Forfeiture, Loss and/or Depreciation: As a result of Defendants' breaches, they are liable for the loss or depreciation in value of the assets of the Estate and the Seidler Trusts. Defendants are also liable to Plaintiff and the Seidler Trusts for all income and other profits that would have accrued to the Estate and/or the Seidler Trusts if Defendants had not committed such breaches of fiduciary duty and breaches of trust. Further, Defendants have not taken care of or managed fiduciary property prudently and are liable for, and must disgorge and forfeit, all profits, payments, and/or benefits they have received, including fiduciary fees or compensation they have been paid or may be paid, including payment of legal fees and expenses. Alternatively, Plaintiff asks this Court to deny all compensation and/or reimbursement of legal fees to Defendants from the Estate and the Seidler Trusts.

164. Exemplary damages: Defendants' actions were committed intentionally, knowingly, fraudulently, and/or maliciously. Plaintiff therefore seeks exemplary damages against Defendants in an amount sufficient to punish Defendants for their conduct, and to prevent and deter similar wrongful acts in the future.

165. Pre- and post-judgment interest: Plaintiff, individually, and on behalf of the Estate and the Seidler Trusts, is entitled to pre-judgment and post-judgment interest and costs of court on all amounts awarded hereunder as authorized by law. Plaintiff, individually, and on behalf of the Estate and the Seidler Trusts, specifically sues for recovery of pre-judgment and post-judgment interest and recovery of costs of court under the applicable provisions of the laws of the State of Texas, is entitled to pre-judgment and post-judgment interest and costs of court on all amounts awarded hereunder as authorized by law.

166. Costs of court: Plaintiff seeks from the Defendants all costs of court incurred herein.

167. Attorney's fees: An award of reasonable and necessary attorney's fees to Plaintiff is equitable and just. Moreover, an award of reasonable and necessary attorney's fees to Plaintiff is authorized under the Texas Estates Code, the Texas Property (Trusts) Code, and Section 37.009 of the Texas Civil Practice & Remedies Code. Plaintiff therefore seeks from Defendants her reasonable and necessary attorney's fees incurred herein.

#### **X. 193.7 Notice**

168. Notice is hereby given pursuant to TRCP 193.7 that documents produced in this matter shall be authenticated for use against the producing party.

#### **XI. Discovery Rule / Fraudulent Concealment**

169. Plaintiff asserts that, pursuant to Rule 94 of the Texas Rules of Civil Procedure, the Defendants are estopped from asserting the affirmative defense of laches. Plaintiff did not

discover, nor could she have discovered by the exercise of reasonable diligence, the existence of her causes of actions against the Defendants prior to her engagement of the undersigned counsel in June of 2024. Four years have not elapsed since Plaintiff discovered the Defendants' actions.

## **XII.. JURY DEMAND**

170. Plaintiff hereby demands a trial by jury on all issues pursuant to the Texas Rules of Civil Procedure and the Constitution of the State of Texas. The jury fee will be tendered with the filing of this Petition.

## **XIII. Prayer**

WHEREFORE, PREMISES CONSIDERED, Plaintiff Sheel Kamal Seidler requests that Defendants Matthew Seidler individually, as Executor of the Estate of Peter Seidler, Deceased, as trustee of the Peter Seidler Revocable Trust, the Peter Seidler Marital Trust and the Peter Seidler Exemption Trust, and Bob Seidler, individually, as former Executor of the Estate of Peter Seidler, Deceased, as former trustee of the Peter Seidler Revocable Trust, the Peter Seidler Marital Trust and the Peter Seidler Exemption Trust, be served with this Original Petition, and that this Court:

- (i) find the Defendants liable for breaches of fiduciary duties as set forth above, aiding and abetting fiduciary breaches, common-law fraud, aiding and abetting fraud; conversion, money had and received, and gross negligence;
- (ii) order Bob Seidler, individually and as former Executor and trustee of the Peter Seidler Revocable Trust, the Peter Seidler Marital Trust and the Peter Seidler Exemption Trust, to appear and show cause, if any, why he should not provide a complete accounting of all actions taken by him as Executor of the Estate and as trustee of the Peter Seidler Revocable Trust, the Peter Seidler Marital Trust and the Peter Seidler Exemption Trust;
- (iii) order Matt Seidler, individually and as successor Executor and trustee, to appear and show cause, if any, why he should not provide a complete accounting of all actions taken by him as Executor of the Estate and trustee of the Peter Seidler Revocable Trust, the Peter Seidler Marital Trust, and the Peter Seidler Exemption Trust;
- (iv) remove Matt Seidler as Executor of the Estate and trustee of the Peter Seidler Revocable Trust, the Peter Seidler Marital Trust and the Peter Seidler Exemption Trust;
- (v) grant all relief authorized and appropriate under Texas Trust Code Section 114.008 so that the Seidler Trusts are administered, and their assets protected consistent with

the Trust Instrument, which, among other things, mandates compliance with MLB requirements;

- (vi) hold the Defendants personally liable for the attorneys' fees and expenses incurred in this proceeding;
- (vii) award pre-judgment and post-judgment interest and costs of court, as provided by law; and
- (viii) grant all such other and further relief, at law or in equity, to which Plaintiff is entitled as the court may deem proper.

Respectfully submitted,

**JACKSON WALKER LLP**



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**TRUST AGREEMENT**

**for the**

**2021 AMENDMENT AND COMPLETE RESTATEMENT OF THE  
PETER SEIDLER REVOCABLE TRUST**

**EXHIBIT A**

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**TRUST AGREEMENT**  
**for the**  
**2021 AMENDMENT AND COMPLETE RESTATEMENT OF**  
**THE PETER SEIDLER REVOCABLE TRUST**

This 2021 Amendment and Complete Restatement of the Peter Seidler Revocable Trust (the "Trust Agreement") for the Peter Seidler Revocable Trust is entered into by and between Peter Seidler, of Travis County, Texas, as Trustor (the "Trustor") and Peter Seidler, as Trustee (the "Trustee"), to establish the amended and restated terms of the "Peter Seidler Revocable Trust".

**RECITALS**

**WHEREAS**, Trustor and Trustee executed that certain trust instrument effective as of January 19, 2001 (the "Original Trust Agreement") pursuant to which the Trust (as defined below) was established and was then known as the Peter Seidler Revocable Trust;

**WHEREAS**, Trustor and Trustee executed that certain 2019 Amendment and Complete Restatement of the Peter Seidler Revocable Trust Declaration effective as of June 20, 2019 (the "2019 A&R Trust Agreement"), whereby the Original Trust Agreement was completely amended and restated;

**WHEREAS**, Paragraph B-30 of the 2019 A&R Trust Agreement provides that the Trustor may revoke or amend the 2019 A&R Trust Agreement by written notice to the Trustee, and the Trustor desires to exercise such right to completely amend and restate the 2019 A&R Trust Agreement by executing this Trust Agreement, which will hereafter govern the administration of the Trust (as defined below).

**NOW, THEREFORE**, the Trustor hereby completely amends and restates the 2019 A&R Trust Agreement as follows, and Trustee hereby acknowledges receipt of notice of such amendment and restatement and further acknowledges that the Peter Seidler Revocable Trust shall hereafter be administered under this Trust Agreement and pursuant to the following terms:

**A.**  
**PETER SEIDLER REVOCABLE TRUST**

A-1. **Trust Created.** The initial trust created hereunder is a continuation of the trust known as the "Peter Seidler Revocable Trust" which is completely amended and restated as provided in this Trust Agreement, which trust shall continue to be known as the "PETER SEIDLER REVOCABLE TRUST" (and is also referred to herein as the "Trust"). Accordingly, all assets title to which are held in the "Peter Seidler Revocable Trust," or by words of similar import, whether transferred thereto under the Original Trust Agreement or the 2019 A&R Trust Agreement shall be deemed to be held in the trust administered under Section A of this Trust Agreement. In addition, the trust estate of the Trust shall include all other properties, real or personal, which are acceptable to the Trustee and which any person may at any time and in any manner add or cause to be added to such trust estate. The Trustee shall hold, manage, sell, exchange, invest and reinvest the trust estate, collect all income and, after deducting such expenses

as are properly payable, shall accumulate and distribute the income and principal of the Trust as herein provided.

A-2. Marital Character Retained. All property held in the trust estate of the Revocable Trust shall have the same character for marital property purposes as it would have had if the Revocable Trust had never been created, and the character of any of such property withdrawn by or distributed to Trustor from the Revocable Trust shall continue in the hands of Trustor individually.

A-3. Revocability. Trustor may alter, amend or revoke this Trust Agreement or the Revocable Trust or withdraw all or any part of the properties in the trust estate and any mutations thereof or income therefrom. Exercise of any power of alteration, amendment, revocation or withdrawal under this Paragraph A-3 shall be by written instrument signed by the Trustor and delivered to the Trustee. An agent appointed by Trustor, or a guardian of Trustor's estate appointed by a court of competent jurisdiction, shall not have the power to revoke, alter or amend this Trust Agreement or the Revocable Trust, and shall not have the power to withdraw any part of the properties of the trust estate of the Revocable Trust. Upon the death of the Trustor, the trusts created under this Trust Agreement shall be irrevocable.

A-4. Distributions. During the term of the Revocable Trust, the Trustee may distribute to or for the benefit of Trustor such amounts of principal and income of the trust estate as, in the sole discretion of the Trustee, are sufficient to provide generously for the comfort, support and maintenance of Trustor, taking into consideration any factors deemed relevant by the Trustee.

A-5. Trustor's General Power of Appointment. Trustor, acting alone in Trustor's individual capacity, shall have the general power to appoint (outright, in trust, or otherwise) all or any part of the properties in the trust estate of the Revocable Trust and any mutations thereof or income therefrom, to Trustor's estate, or to any other person or persons, entity or entities, or to any Charity or Charities. This power shall be exercisable by Trustor by acknowledged instrument delivered to the Trustee during Trustor's lifetime (which exercise shall be effective upon the terms specified in said instrument) or by specific reference in the Will of Trustor.

A-6. Additions at Death of Trustor. Upon the death of Trustor, the Trustee shall add to the Revocable Trust all property received by the Trustee under the Will of Trustor or under this Trust Agreement and all other property received by the Trustee as a result of the death of Trustor.

A-7. Termination and Division of Trust Estate. The Trust shall terminate upon the death of Trustor. Upon termination, the Trustee shall distribute the then remaining trust estate, together with all properties received by the Trustee by reason of Trustor's death, as follows:

(a) Gift of Generation-Skipping Tax Exempt Amount. There shall first be distributed an amount equal to the generation-skipping tax exempt amount (as defined below) as follows:

(i) If Trustor's Wife survives Trustor, to the Trustee of the Peter Seidler Exemption Trust, in trust as provided in Section B.

- (ii) If Trustor's Wife does not survive Trustor and one or more of Trustor's descendants survive Trustor, to the Trustee of the Seidler 2012 Irrevocable Trust (the "Seidler 2012 Irrevocable Trust"), as created under that certain trust agreement dated December 18, 2012, between Peter Seidler, as Trustor, and James Hagen, as Trustee (the "2012 Trust Agreement"). For purposes of this gift, Trustor's descendants shall be determined under the definition of "descendants" in the 2012 Trust Agreement, the terms of which are incorporated herein by reference.

For purposes of this gift, the "generation-skipping tax exempt amount" means the amount of the generation-skipping tax exemption (determined in accordance with the federal generation-skipping transfer tax laws in effect at the time of the Trustor's death) to which the Trustor is entitled under section 2631 of the Internal Revenue Code and which has not been either (i) actually allocated during the Trustor's lifetime in accordance with section 2632(a) of the Internal Revenue Code, or (ii) deemed allocated by the Trustor in accordance with section 2632(b) or 2632(c) of the Internal Revenue Code.

(b) Residuary Estate. The remaining property not otherwise distributed pursuant to Paragraph A-7(a) shall be distributed as follows:

- (i) If Trustor's Wife survives Trustor, to the Trustee of the Peter Seidler Marital Trust, in trust as provided in Section C.
- (ii) If Trustor's Wife does not survive Trustor and one or more of Trustor's descendants survive Trustor, to Trustor's descendants, *per stirpes*, subject to administration in the Non-Exempt Descendants' Trusts as provided in Section D.
- (iii) If none among Trustor's Wife and Trustor's descendants survive Trustor, to the ultimate beneficiaries specified in the Final Disposition provided in Section G.

## **B.**

### **PETER SEIDLER EXEMPTION TRUST**

B-1. Trust Created. Any distribution to be made to the Trustee of the Peter Seidler Exemption Trust under Paragraph A-7(a) shall constitute the initial trust estate of a trust for Trustor's Wife's exclusive benefit during her lifetime.

B-2. Distributions. All of the net income of the Peter Seidler Exemption Trust shall be distributed to Trustor's Wife in convenient installments, and at least quarter-annually.

B-3. Termination. The Peter Seidler Exemption Trust shall terminate upon Trustor's Wife's death. Upon termination, any accrued or undistributed net income of the Peter Seidler Exemption Trust shall be distributed to the personal representative of the estate of Trustor's Wife, as a part of Trustor's Wife's general probate estate, and the remaining trust principal (other than

the proceeds of, or any interest in, any life insurance policies on Trustor's Wife's life) shall be distributed as follows:

(a) If any one or more of Trustor's descendants are then living, to Trustee of the Seidler 2012 Irrevocable Trust.

If none of Trustor's descendants are then living, to the ultimate beneficiaries specified in the Final Disposition provided in Section G.

For purposes of this Paragraph B-3, Trustor's descendants shall be determined under the definition of "descendants" in the 2012 Trust Agreement, the terms of which are incorporated herein by reference.

B-4. Marital Deduction Qualification. Trustor intends that, if and to the extent that Trustor's fiduciary so elects, the property distributed to Peter Seidler Exemption Trust upon Trustor's death shall qualify for the Marital Deduction applicable to Trustor's estate. All questions applicable to that distribution and to the Peter Seidler Exemption Trust shall be resolved accordingly. No powers or discretion of the Trustee with respect to the Peter Seidler Exemption Trust shall be exercised or exercisable except in a manner consistent with this intent.

### C.

#### PETER SEIDLER MARITAL TRUST

C-1. Trust Created. Any distribution to be made to the Trustee of the Peter Seidler Marital Trust under Paragraph A-7(b)(i) shall constitute the initial trust estate of a trust for Trustor's Wife's exclusive benefit during her lifetime.

C-2. Distributions. All of the net income of the Peter Seidler Marital Trust shall be distributed to Trustor's Wife in convenient installments, and at least quarter-annually. In addition, the Trustee, from time to time, may distribute to Trustor's Wife such amounts of the principal of the Peter Seidler Marital Trust as, in the sole discretion of the Trustee, are required to provide for the Trustor's Wife's needs for health, education, maintenance and support in her accustomed manner of living as of the Trustor's date of death, taking into consideration (but not necessarily requiring the exhaustion of) any other sources of support (both principal and income) which Trustor's Wife may have to the knowledge of the Trustee

C-3. Termination. The Peter Seidler Marital Trust shall terminate upon Trustor's Wife's death. Upon termination, any accrued or undistributed net income of the Peter Seidler Marital Trust shall be distributed to the personal representative of the estate of Trustor's Wife, as a part of Trustor's Wife's general probate estate. Trustor's Wife shall have the special power to appoint by a Will which specifically refers to this special power of appointment up to one-half (1/2) of the trust estate among such of Trustor's descendants, the Spouses (including surviving Spouses) of the Trustor's descendants, and Charity, in such amounts or proportions as the Trustor's Wife may designate in such appointment. To the extent Trustor's Wife fails to exercise this power of appointment, and as to the remainder of the trust estate not subject to the power of appointment, the properties of this trust shall be distributed as follows:

(a) From any portion of the trust estate of which Trustor's Wife is the transferor for generation-skipping transfer tax purposes, the Trustee shall distribute a pecuniary amount equal to Trustor's Wife's generation-skipping tax exempt amount to the Trustee of the Seidler 2012 Irrevocable Trust. For purposes of this gift, the "Trustor's Wife's generation-skipping tax exempt amount" means the amount of the generation-skipping tax exemption (determined in accordance with the federal generation-skipping transfer tax laws in effect at the time of the Trustor's Wife's death) to which the Trustor's Wife is entitled under section 2631 of the Internal Revenue Code and which has not been either (i) actually allocated during the Trustor's Wife's lifetime in accordance with section 2632(a) of the Internal Revenue Code, (ii) deemed allocated by the Trustor's Wife in accordance with section 2632(b) or 2632(c) of the Internal Revenue Code, or (iii) otherwise allocated by Trustor's Wife's executor in accordance with section 2631(a) of the Internal Revenue Code in accordance with Trustor's Wife's own estate plan.

(b) The remainder of the trust estate shall be distributed to the Trustor's descendants, *per stirpes*, subject to administration in the Non-Exempt Descendants' Trusts as provided in Section D;

(c) If none of Trustor's descendants are then living, to the ultimate beneficiaries specified in the Final Disposition provided in Section G.

C-4. Marital Deduction Qualification. Trustor intends that, if and to the extent that Trustor's fiduciary so elects, the property distributed to Peter Seidler Marital Trust upon Trustor's death shall qualify for the Marital Deduction applicable to Trustor's estate. All questions applicable to that distribution and to the Peter Seidler Marital Trust shall be resolved accordingly. No powers or discretion of the Trustee with respect to the Peter Seidler Marital Trust shall be exercised or exercisable except in a manner consistent with this intent.

C-5. Tax Payments. If Trustor's Wife's Will and other testamentary instruments contain no contrary directions, the Trustee shall pay from the trust estate of the Peter Seidler Marital Trust the entire increment in federal and state inheritance, succession, transfer or estate taxes payable by reason of Trustor's Wife's death (including any interest or penalties thereon) to the extent (if any) that the total of such taxes is greater than would have been imposed if no portion of this trust estate and no portion of the trust estate of the Peter Seidler Exemption Trust created under Section B were taken into account in determining such taxes.

#### **D.**

#### **NON-EXEMPT DESCENDANTS' TRUSTS**

D-1. Non-Exempt Descendants' Trusts Created. Any distribution to one of Trustor's descendants expressly made subject to this Section D shall constitute the initial trust estate of, or an addition to, a separate trust for that person as primary beneficiary (the "Primary Beneficiary") under the terms of this Section D.

D-2. Name of Trust. Each trust created under the terms of this Section D shall be known by the name of the Primary Beneficiary for whom it was created. It may also be referred to by one



or more convenient abbreviated names as determined in the discretion of the Trustee, and is sometimes referred to in this Trust Agreement as the "Non-Exempt Descendants' Trust."

D-3. Distributions. The income of the trust may be accumulated and retained, in whole or in part, or the Trustee, from time to time, may distribute to any one or more of a group composed of the Primary Beneficiary and the Primary Beneficiary's then living descendants so much of the income or principal of the trust as, in the sole discretion of the Trustee, may be needed to provide for that recipient's needs for health, education, maintenance and support in his or her accustomed manner of living, taking into consideration (but not necessarily requiring exhaustion of) any other sources of support (both principal and income) such recipient may have to the knowledge of the Trustee. In addition, at any time an Independent Trustee is then serving, the Independent Trustee may distribute from each Non-Exempt Descendants' Trust to any one or more of a group composed of the Primary Beneficiary and the Primary Beneficiary's then living descendants such amounts out of the income and principal of the Non-Exempt Descendants' Trust as, in the sole discretion of the Independent Trustee, are in the best interests of the beneficiary to whom such a distribution is to be made. In the case of distributions permitted under this Paragraph D-3 to a beneficiary who may also be a beneficiary under the Seidler 2012 Irrevocable Trust, Trustor directs the Trustee (in analyzing other sources of support) to consider the generation-skipping transfer tax exempt status of the property held in the Seidler 2012 Irrevocable Trust for such individual, and Trustor further directs the Trustee to consider making distributions first from this Non-Exempt Descendants' Trust if there is not an overall tax disadvantage in doing so (such as the triggering of a taxable distribution tax for generation-skipping transfer tax purposes).

D-4. Termination. Each Non-Exempt Descendants' Trust shall terminate when the Primary Beneficiary of such trust has died. Each Primary Beneficiary shall have the special power to appoint all or any part of the trust estate to and among Trustor's descendants (other than the Primary Beneficiary exercising the power of appointment), the Spouses (including surviving spouses) of Trustor's descendants, and Charity, in such amounts or proportions, as the Primary Beneficiary may appoint by a Will that specifically refers to this special power of appointment. In addition, if the termination of the trust estate upon the Primary Beneficiary's death would result in the imposition of a federal generation-skipping transfer tax (assuming no power of appointment had been granted to the Primary Beneficiary), the Primary Beneficiary shall have the general power to appoint all or any part of the trust estate that does not exceed the General Power of Appointment Amount, in favor of the creditors of the Primary Beneficiary's estate, as the Primary Beneficiary may appoint by a Will that specifically refers to this general power of appointment. If or to the extent that the Primary Beneficiary does not effectively exercise any of these powers of appointment, the trust estate upon termination shall be distributed as follows:

- (a) To the Primary Beneficiary's descendants, *per stirpes*.
- (b) If none of the Primary Beneficiary's descendants are then living, but one or more of Trustor's descendants is then living, to the descendants, *per stirpes*, of the Primary Beneficiary's nearest ancestor who was one of Trustor's descendants and any of whose descendants are then living, but if no such descendants are then living, to Trustor's descendants, *per stirpes*.



(c) Notwithstanding the foregoing, any portion of the trust estate which is distributable pursuant to this Paragraph D-4 to one of Trustor's descendants (in default of any appointment) shall not be distributed to such descendant free of trust but instead shall be distributed to the Trustee of an Non-Exempt Descendants' Trust for the benefit of such descendant to be held and administered pursuant to the provisions of this Section D; provided, that any portion of the trust estate which is distributable to one of Trustor's descendants for whom an Non-Exempt Descendants' Trust is then in existence hereunder instead shall be distributed to the Trustee of such existing Non-Exempt Descendants' Trust, as an addition to its trust estate.

(d) If none among Trustor's descendants are then living, to the ultimate beneficiaries specified in the Final Disposition provided in Section G.

### **E. FINAL DISPOSITION TRUSTS**

E-1. Trust Created. Any property distributed to a beneficiary under the Final Disposition provisions in Section G, subject to the provisions of this Section E, shall be retained by the Trustee as the initial trust estate (and any subsequent such distributions shall be additions to the trust estate) of a separate trust (a "Final Disposition Trust") for that beneficiary as primary beneficiary (the "Primary Beneficiary"); provided that any portion of the trust estate that would be distributable to a Primary Beneficiary for whom a Final Disposition Trust is then in existence shall be distributed to the Trustee of such Final Disposition Trust, as an addition to its trust estate.

E-2. Distributions. During the term of each Final Disposition Trust, the Trustee, from time to time, may distribute to any one or more of a group composed of the Primary Beneficiary and the Primary Beneficiary's then living descendants so much of the income or principal of the trust as, in the sole discretion of the Trustee, may be needed to provide for that recipient's needs for health, education, maintenance and support in his or her accustomed manner of living, taking into consideration (but not necessarily requiring exhaustion of) any other sources of support (both principal and income) such recipient may have to the knowledge of the Trustee. In addition, at any time that an Independent Trustee is then serving, the Independent Trustee may distribute to the Primary Beneficiary or any of the Primary Beneficiary's then living descendants such amounts of income or principal of the trust as, in the sole discretion of the Independent Trustee, are in the best interests of the recipient to whom such a distribution is to be made.

E-3. Termination. Each Final Disposition Trust shall terminate when the Primary Beneficiary of that trust has died. Upon termination, the trust estate shall be distributed as follows:

(a) Each Primary Beneficiary shall have the general power to appoint all or any part of the trust estate to and amount any one or more persons related to such Primary Beneficiary by blood, marriage or adoption, to Charity, or to such Primary Beneficiary's estate, as the Primary Beneficiary may appoint by a Will that specifically refers to this power of appointment. To the extent that any federal and state inheritance, succession, transfer or estate taxes (including any interest or penalties thereon) are payable as a result of this testamentary general power of appointment, the Trustee shall pay to the executors or administrators of the Primary Beneficiary's estate the difference between the amount of such taxes (including any interest or penalties thereon) to the extent that the total of such

taxes is greater than would be payable if such Primary Beneficiary did not possess this testamentary general power of appointment, unless such Primary Beneficiary directs otherwise in the exercise of his or her power of appointment. If or to the extent the Primary Beneficiary does not effectively exercise this power of appointment, the trust estate upon termination shall be distributed to the Primary Beneficiary's descendants, *per stirpes*, subject to the Final Disposition Trust provisions of this Section E.

(b) If none of the Primary Beneficiary's descendants is then living, to the ultimate beneficiaries specified in the Final Disposition set forth in Section G.

## **F. CONTINGENT TRUST**

F-1. Trust Created. If any portion of the final distribution (in default of any appointment) from any trust under this Trust Agreement would otherwise be distributable outright by a Trustee to any beneficiary who has not yet reached the age of twenty-five (25) or who is incapacitated, then such distribution shall instead be distributed to the Trustee of a separate trust (the "Contingent Trust") named for the beneficiary (the "Contingent Trust Beneficiary"), to be administered pursuant to this Section F. Each Contingent Trust created under this Trust Agreement for the benefit of a Contingent Trust Beneficiary shall be held under the terms of this Section F.

F-2. Distributions During the Trust Term. During the term of each Contingent Trust, the Trustee may distribute to or for the benefit of the Contingent Trust Beneficiary so much or all of the income or principal of such trust as, in the sole discretion of the Trustee, is required to provide for the Contingent Trust Beneficiary's health, education, maintenance and support in his or her accustomed manner of living, taking into consideration (but not necessarily requiring the exhaustion of) any other sources of support (both principal and income) such Contingent Trust Beneficiary may have to the knowledge of the Trustee.

F-3. Termination and Final Distribution. The trust shall terminate when the Contingent Trust Beneficiary has attained at least age twenty-five (25) and is not incapacitated, or upon the Contingent Trust Beneficiary's earlier death. Upon termination, the properties of such trust shall be distributed to the Contingent Trust Beneficiary. If the Contingent Trust Beneficiary is not then living, the remaining properties of such trust shall be distributed to the Contingent Trust Beneficiary's personal representative as a part of such Contingent Trust Beneficiary's general probate estate.

## **G. FINAL DISPOSITION**

At the date of any final trust distribution to be made to the ultimate beneficiaries specified in the Final Disposition of this Section G, the remaining trust property shall be distributed to the descendants, *per stirpes*, of TERRY O'MALLEY SEIDLER, subject to administration in Final Disposition Trusts as provided in Section E; provided, however, if no descendants of TERRY O'MALLEY SEIDLER are then living, to Trustor's heirs-at-law. Trustor's heirs-at-law shall be the individuals who would have inherited Trustor's personal property if Trustor had died intestate and domiciled in Texas, unmarried and without descendants at the time the distribution is to be

made, as determined under the laws of Texas in force on the effective date of this Trust Agreement, with the shares of taking determined by those laws. Notwithstanding the foregoing, in connection with any distribution under this Final Disposition, the term "descendants," as used to describe a class of persons who shall not be beneficiaries of such distribution, shall mean all individuals that would be considered to be a person's descendants under applicable law without any limitations imposed under Paragraph L-3.

## **H.**

### **DISTRIBUTIONS**

H-1. Trustee's Determinations as to Distributions. In making distributions to beneficiaries of trusts created under this Trust Agreement, the Trustee may take into account any other income known by the Trustee to be reasonably available to such beneficiaries, but shall not be required to do so unless the trust provisions so specify. The Trustee may rely on information furnished by the beneficiaries as to other income reasonably available to them, and no person interested in any manner in a trust created hereunder may complain of a Trustee's distribution or failure to make a distribution of trust properties so long as the Trustee's determinations are made in good faith and without gross negligence. In making distributions in the "best interests" of a beneficiary, the Independent Trustee may consider the age of the beneficiary, the costs of the beneficiary's health, education, maintenance, support and comfort, any income the beneficiary may have from other sources to the knowledge of the Trustee, the effect of any distribution upon the income and transfer tax liability of the beneficiary or of the trust, and any other factors deemed relevant by the Trustee. In the case of distributions in the "best interests" of a beneficiary from a trust having more than one permissible distributee, (i) distributions may be made unequally among the beneficiaries and may be made wholly to one beneficiary, (ii) distributions may be made regardless of whether any ancestor of a beneficiary is then living or receiving distributions from the same or another trust and (iii) no deduction shall be made from a beneficiary's share of the trust estate upon the trust's termination on account of any prior distribution made from that trust.

H-2. Distributions to or for the Beneficiaries. During the term of a trust, any distribution to be made to a beneficiary from the trust may be made (i) to any person selected by the Trustee as custodian for a minor beneficiary under the Uniform Transfers to Minors Act of any state or (ii) in any manner authorized under section 113.021 of the Texas Trust Code. Alternatively, the Trustee may otherwise apply all or a part of the distribution for the beneficiary's benefit. However, no such distribution shall be made in a manner that discharges a legal obligation (including a legal obligation of support) of any person (other than the beneficiary of the Revocable Trust). Any distribution under this Paragraph H-2 shall be a full discharge of the Trustee with respect thereto.

H-3. Distributions to or for Trustee. Notwithstanding any other provision of this Trust Agreement to the contrary, any power to make discretionary distributions from a trust created under this Trust Agreement (other than the Revocable Trust) to or for the benefit of a person who is serving as Trustee of the trust (including distributions to the person's spouse and distributions in discharge of any legal obligation of the person) shall be exercisable solely by the Trustee or Trustees other than that person. If no other Trustee is then serving, such powers shall not be exercisable. Notwithstanding the foregoing, the two (2) preceding sentences shall not apply to a power granted to a Trustee to make distributions to himself or herself which is expressly limited

to an ascertainable standard relating to his or her needs for health, education, maintenance and support and shall not apply to distribution decisions made by an "Independent Trustee."

H-4. Monetary Gift. If any monetary gift is made under Paragraph A-7(a), the Trustee may satisfy it by making distributions of cash, of assets in kind, or both, in the Trustee's discretion. In satisfying such a gift by distributing assets in kind, the Trustee shall value such assets at their fair market values, on the date or dates of distribution. However, in satisfying any monetary gift made under Paragraph A-7(a)(i), in no event shall the gift be satisfied with property or the proceeds of property with respect to which the Marital Deduction would not be allowable if such property or proceeds were so used, and the amount of such gift shall be reduced to the extent that it cannot be satisfied with property qualifying for the deduction

H-5. Priorities in Interpretation of Distributions. To assist in interpreting distributions and other provisions of this Trust Agreement, the Trustee shall use the following rules of priority:

- (a) Trustor shall be favored over any other beneficiaries;
- (b) Trustor's Wife shall be favored over Trustor's descendants;
- (c) The Primary Beneficiary shall be favored over the Primary Beneficiary's descendants; and
- (d) Life tenants shall be favored over remaindermen.

H-6. Distributions by Independent Trustee. Any decisions reserved to an Independent Trustee under the provisions of this Trust Agreement shall be made exclusively by any Independent Trustee(s) that are then serving as Trustee of such trust, and any other Trustee who is not an Independent Trustee shall have no power or authority with respect to such decision. The power and authority of any Independent Trustee may be limited to the exclusive power and authority to make decisions reserved to an Independent Trustee under the provisions of this Trust Agreement; provided, however, that (i) such limitation shall be expressed in a written instrument appointing the Independent Trustee, and in a written instrument reflecting the Independent Trustee's acceptance of such appointment, and in each case filed with the trust records; (ii) at any time the power and authority of an Independent Trustee has been so limited, one or more Trustees must also be serving as a Trustee with respect to all power and authority not reserved to the Independent Trustee(s); (iii) the Independent Trustee must exercise such limited power and authority in a fiduciary capacity; and (iv) absent an appointment in a limited fiduciary capacity in accordance with the foregoing, any Independent Trustee shall have all the powers, responsibilities and duties of a Trustee under this Trust Agreement and under applicable law.

H-7. Suspension of Beneficiary's Distributions.

- (a) Despite the other provisions of this Trust Agreement, whenever the Trustee (other than a beneficiary of a trust hereunder who is serving as Trustee) determines that a beneficiary is currently engaged in Prohibited Behavior (as defined below), the provisions of this Paragraph H-7 shall apply to any trust created under this Trust Agreement from which that beneficiary (the "Affected Beneficiary") is entitled to receive distributions of income or principal. For purposes of clarifications, the provisions of this Paragraph H-7

shall not apply to or be exercisable by a beneficiary of a trust hereunder who is serving as a Trustee.

(b) During the period that the Trustee makes the determination described in subparagraph (a) above (the "Suspension Period"), the Trustee shall have the authority (but not the duty) to suspend any or all distributions of income or principal with respect to the Affected Beneficiary during his or her lifetime (including distributions upon termination of the trust) until the Trustee further determines that the Affected Beneficiary (i) has ceased engaging in Prohibited Behavior, (ii) is capable of caring for himself or herself, and (iii) is no longer likely to dissipate his or her financial resources as a result of the Prohibited Behavior. During the Suspension Period, the Affected Beneficiary's trust will be administered as a discretionary trust from which distributions may, in the Trustee's discretion, be made to (or for the benefit of) the Affected Beneficiary as the Trustee may determine in the Trustee's sole discretion. Any net income of an Affected Beneficiary's trust not so paid or applied shall be accumulated and periodically added to the principal of the trust.

(c) In administering the Affected Beneficiary's trust during the Suspension Period, the Trustor requests the Trustee to be guided by the following:

- (i) It is the Trustor's desire that the Affected Beneficiary shall cease engaging in Prohibited Behavior and shall receive such financial assistance as is deemed prudent by the Trustee to help restore the Affected Beneficiary to a productive member of society.
- (ii) The Trustor specifically encourages the Trustee to make distributions for the purpose of (i) assisting the Affected Beneficiary in obtaining medical or psychiatric treatment, counseling or other form of therapy, vocational training, or other assistance (collectively, "Rehabilitation Assistance"), and (ii) providing for the Affected Beneficiary's health, education and support as long as he or she is obtaining the Rehabilitation Assistance.
- (iii) If at any time the Trustee, in the Trustee's sole discretion, determines that the Affected Beneficiary has discontinued his or her Rehabilitation Assistance or is no longer pursuing such Rehabilitation Assistance to his or her advantage, or that payments from the trust may be enabling the Affected Beneficiary's Prohibited Behavior, the Trustee may discontinue any discretionary distributions pursuant to this Paragraph.

(d) If the Trustee determines that a suspension is no longer appropriate, the Trustee shall resume making distributions as otherwise provided in this Trust Agreement.

(e) Despite the provisions of this Paragraph, the Trustee may not suspend any mandatory distribution to (or for the benefit of) an Affected Beneficiary that is required in order for that trust to qualify for any federal transfer tax exemption, deduction, or exclusion

available with respect to that trust (including, without limitation, the mandatory distribution of net income of a trust created hereunder that has made a marital deduction election), or that is required for the trust to be a permitted shareholder of subchapter S stock under the Internal Revenue Code, or which is necessary for a charitable deduction.

(f) Further despite the provisions of this Paragraph, the Trustee cannot suspend any distributions to an Affected Beneficiary for a period of time that, in the aggregate, exceeds five (5) years (either continuously or including all intermittent periods of suspension) unless the Trustee obtains an order from the court having jurisdiction over the trust that approves the continuation of the suspension as being in the best interests of the Affected Beneficiary. In considering the Trustee's petition or application for such an order, the Trustor requests that the court take into account the Trustor's intent that due deference shall be given to the Trustee's judgment and that any Affected Beneficiary shall have the burden of proving, by clear and convincing evidence, that he or she (i) has ceased engaging in any form of Prohibited Behavior, (ii) is capable of caring for himself or herself, and (iii) is no longer likely to dissipate his or her financial resources as a result of the Prohibited Behavior. The Trustee's attorneys' fees and costs in seeking any such order shall be paid from the Affected Beneficiary's trust, regardless of the outcome of the proceeding, unless the court finds that the Trustee was acting in bad faith in seeking the order.

(g) The Trustee (and any person retained by the Trustee) shall not be responsible or liable to any person for an Affected Beneficiary's actions or welfare or for the Trustee's exercise (or nonexercise) of any discretionary authority or power that is granted to the Trustee by this Paragraph. The Trustee shall also have the right, but not the duty, to inquire whether any beneficiary is engaged in Prohibited Behavior, and in making the determination under subparagraph (a) above, the Trustee may take into account a beneficiary's refusal to cooperate in any such inquiry (such as by refusing (i) to submit to a periodic drug test or medical or other examination, (ii) to provide medical information or to consent to the release of medical information to the Trustee, or (iii) to furnish proof of attendance at or participation in any program providing Rehabilitation Assistance). The Trustee (and any person retained by the Trustee) shall be indemnified from the trust estate and held harmless from any liability of any nature (including costs of defense) in exercising (or failing to exercise) the Trustee's discretion, judgment and authority under this Paragraph, including without limitation (1) any decision to request, or failure to request, a beneficiary to submit to a drug test or medical or other examination, (2) any decision to suspend or resume distributions to an Affected Beneficiary, and (3) any decision in making, or not making, discretionary distributions during any Suspension Period.

(h) As used in this Paragraph H-7, the term "Prohibited Behavior" shall include the following:

- (i) The routine or frequent use or consumption of any illegal drug or other illegal chemical substance;
- (ii) The clinical dependence upon the use or consumption of alcohol or any other legal drug or chemical substance that is not prescribed by



a board certified medical doctor or psychiatrist in a current program of treatment supervised by that doctor or psychiatrist;

- (iii) Aberrant and self-destructive behavior arising from any severe physical, mental or emotional impairment;
- (iv) Participation in what is commonly recognized as a "cult" (including without limitation any organization involving extreme or fanatical devotion to a person, principle or other object of attachment, but specifically excluding any religious organization recognized as a tax exempt organization under the Internal Revenue Code);
- (v) Compulsive gambling that threatens to dissipate the person's financial resources; or
- (vi) Conviction for a crime involving (i) theft, (ii) physical injury or death of another person, or (iii) any other act of serious moral turpitude.

(i) The provisions of this Paragraph H-7 shall not apply to the Trustor, and under no circumstances shall the Trustor be considered an Affected Beneficiary.

## **I.** **OFFICE OF TRUSTEE**

I-1. Successor Trustees, Co-Trustees, Powers Concerning Trustees. The following provisions shall apply with respect to each separate trust established hereunder:

(a) Successor Trustees. Should Peter Seidler fail, refuse or cease to act as Trustee, Trustor appoints Robert Seidler as successor or substitute Trustee of each trust created under this Trust Agreement. Should Robert Seidler fail, refuse or cease to act as Trustee, Trustor appoints Matthew Seidler as successor or substitute Trustee of each trust created under this Trust Agreement. Should Matthew Seidler fail, refuse or cease to act as Trustee, Trustor appoints John Seidler as successor or substitute Trustee of each trust created under this Trust Agreement.

(b) Primary Beneficiary as Co-Trustee. Each Primary Beneficiary of a trust created under Section D of this Trust Agreement may elect after he or she has attained age forty (40) to be a co-Trustee of the trust created hereunder for his or her benefit, with such election requiring thirty (30) days' written notice (if not waived) to the existing Trustee.

(c) Trustor's Power to Remove and Replace Trustee. The Trustor, in his individual capacity, shall have the power to remove the Trustee of any trust created under this Trust Agreement of which he is a beneficiary on at least thirty (30) days' written notice (if not waived) to the existing Trustee, and shall have the right to appoint a successor Trustee. Furthermore, the Trustor, in his individual capacity, may at any time name in writing successor Trustees that shall become Trustee or co-Trustee of any trust created under this Trust Agreement at the time and upon the conditions stated in writing by the

Trustor. Any designations or appointments made pursuant to this Paragraph I-1(c) shall supersede any conflicting appointments made in Paragraph I-1(a).

(d) Primary Beneficiary's Removal and Replacement Power. Each Primary Beneficiary of a trust created under Section D or Section E of this Trust Agreement who has attained age thirty (30), on at least thirty (30) days' written notice (if not waived) to the existing Trustee, shall have the power in his or her individual capacity, with or without cause, to remove any Trustee who is serving as sole Trustee or co-Trustee of a trust created for such Primary Beneficiary, and shall have the right to appoint a successor Trustee; provided, however, that any successor Trustee or any co-Trustee appointed under the provisions of this Paragraph must be a Corporate Trustee.

(e) Appointment of Successor Trustee by Incumbents. At any time after qualifying as Trustee and accepting the applicable trust, any Trustee may appoint a successor to act in the place of the appointing Trustee, either immediately or in the future upon any stated contingency, and may thereby supersede or supplement the provisions of Paragraph I-1(a); provided, however, that any designation of Trustee succession made pursuant to Paragraph I-1(c) shall take priority while Trustor is living and is not incapacitated over any designation made under this Paragraph I-1(e); provided further, however, that any designation of Trustee succession made pursuant to Paragraph I-1(d) shall take priority while such Primary Beneficiary is living and is not incapacitated over any designation made under this Paragraph I-1(e).

(f) Filling of Total Vacancy by Beneficiaries. If at any time there is no Trustee of a trust hereunder and none has been appointed who is able and willing to act, a majority of the beneficiaries (acting through the beneficiary's natural or legal guardian or legal representative, in the case of any beneficiary who is incapacitated) who might then be entitled to receive a distribution from the trust estate shall appoint one or more successor Independent Trustees to fill that vacancy.

(g) Appointment of Co-Trustee. The Trustee (acting jointly and unanimously if more than one) may appoint one (1) or more co-Trustees.

(h) Who May Be Appointed. Except as otherwise provided in this Trust Agreement, a successor Trustee or co-Trustee may be any Corporate Trustee or any individual who is an Independent Trustee and may be domiciled anywhere.

(i) Procedure for Appointment. Appointment shall be made by written instrument signed by the person or persons making the appointment and filed with the trust records. Any such appointment may be changed or revoked prior to the date it becomes effective. Any such appointment may be limited in any manner deemed advisable by the person or persons making the appointment, including, for example, restricting the power over distributions as needed to avoid the imposition of any tax upon the trust, the appointee or the appointee's estate.

I-2. Resignation of Trustee. A Trustee may resign from a trust without the necessity of any court proceeding upon meeting these conditions:



(a) Notice. At least thirty (30) days' written notice (if not waived) shall be given by the resigning Trustee to Trustor (if then living), to any co-Trustee then acting and to each beneficiary who might then be entitled to receive a distribution from the trust. If such a notice recipient is incapacitated, notice shall be given to (or waived by) that person's natural or legal guardian.

(b) Accounting. If and to the extent required by the successor Trustee, an accounting for the administration of the trust shall be given to the successor Trustee. All successor Trustees shall be fully protected in relying upon such accounting.

I-3. Rights and Liabilities.

(a) Bond Not Required. No bond or other security shall be required of any Trustee.

(b) Liabilities. This Trust Agreement always shall be construed in favor of the validity of any act by or omission of any Trustee, and a Trustee shall not be liable for any act or omission except in the case of bad faith, intentional breach of trust, reckless indifference to the interest of a beneficiary or gross negligence. Specifically, any assessment to be made of the propriety of any investment shall be based upon the express provisions of this Trust Agreement (including Paragraph J-3) and upon that investment in the context of the trust's entire portfolio, rather than upon a characterization as "prudent" or "imprudent" of that investment standing alone.

(c) Compensation. Each Trustee shall be entitled to receive reasonable compensation (unless waived) for services actually rendered to the trust. In any event the compensation of any Corporate Trustee hereunder shall not exceed that indicated by the prevailing fee schedules of commercial banks at the time and at the place such services are performed. Each Trustee shall be reimbursed from a trust for the reasonable costs and expenses incurred in connection with its administration.

(d) Actions of Prior Fiduciaries. Any successor Trustee of a trust hereunder, and the original Trustee of the trust or trusts to which any portion of Trustor's estate passes under the terms of his Will, is specifically authorized to accept the trust assets as those assets may be either (i) certified to the recipient Trustee by any prior Trustee or the executor, respectively, or (ii) approved by the beneficiaries (acting through the beneficiary's natural or legal guardian or legal representative, in the case of a beneficiary who is incapacitated) who might then be entitled to receive a distribution from the trust. In any such event, the recipient Trustee shall not be required to require of the predecessor Trustee or executor a full accounting for the assets nor to inquire into the prior administration of such assets by any prior Trustee or executor.

I-4. Merger or Reorganization. If any bank or trust company ever succeeds to the business of any Corporate Trustee serving hereunder or named herein as a fiduciary by means of a merger, consolidation, change of name, or any other form of reorganization, or if a Corporate Trustee ever transfers all of its existing business of serving as a fiduciary to any bank or trust

company, such other bank or trust company shall thereupon without further action succeed such Corporate Trustee as if originally named herein.

**J.**  
**ADMINISTRATION**

**J-1. Debts, Expenses and Taxes.**

(a) Debts. All debts that Trustor has incurred by borrowing against the cash surrender value of life insurance policies on Trustor's life and debts to the extent secured by the assignment of life insurance policies on Trustor's life shall be paid from the policy proceeds. All the rest of Trustor's debts shall be charged against the property passing under the provisions of Paragraph A-7(b). Nothing herein shall require the prepayment of any indebtedness secured by a mortgage or other lien on any property.

(b) Expenses. All of Trustor's funeral expenses and expenses of administering Trustor's estate, including expenses of packing, insuring, storing and delivering personal and household effects to a beneficiary, shall be charged against the property passing under the provisions of Paragraph A-7(b).

(c) Taxes. All estate, inheritance, transfer and succession taxes (including any interest and penalties thereon) which arise in connection with Trustor's death with respect to the property passing pursuant to Trustor's Will and this Trust Agreement shall be allocated to the property passing under Paragraph A-7(b). The Trustee may make such payments directly or may pay over the amounts thereto to Trustor's executor. Notwithstanding anything in this Trust Agreement to the contrary, any estate, inheritance, transfer and succession taxes (including any interest or penalty on such taxes) attributable to any non-probate assets that do not pass under this Trust Agreement shall be apportioned, paid or otherwise allocated as provided or permitted by applicable law, except that no taxes shall be recovered from any trust includable in Trustor's Wife's estate under section 2044 of the Internal Revenue Code which has an inclusion ratio of zero (0) for generation-skipping transfer tax purposes, although the taxes attributable to such trust may be collected from any other trust includible in Trustor's Wife's estate under section 2044 of the Internal Revenue Code which has an inclusion ratio of greater than zero (0) for generation-skipping transfer tax purposes, to the extent authorized under this Trust Agreement or otherwise. The taxes allocated under this Paragraph J-1 shall not include any additional or recapture tax imposed by section 2032A of the Internal Revenue Code and all taxes arising in connection with any generation-skipping transfers hereunder shall be paid as provided in Chapter 13 of Subtitle B of the Internal Revenue Code.

(d) Contributions. Contributions under this Paragraph J-1 may be demanded by the executor or administrator of Trustor's estate and paid by the Trustee regardless of whether such contributions might otherwise be in excess of the share of all taxes, debts and expenses attributable to Trustor's interest in the trust estate of the Revocable Trust. Such contributions shall be made to the executor or administrator of Trustor's estate upon request, and the receipt by such executor or administrator shall be a full discharge to the Trustee hereunder for all contributions so made. The Trustee shall be entitled periodically

to review the records of Trustor's executor or administrator. Allocation and distribution of the trust estate of the Revocable Trust shall be made subject to the power and duty of the Trustee hereunder to contribute to the payment of the taxes, debts and expenses of Trustor as set forth in this Paragraph J-1.

J-2. Major League Baseball Control Person. Despite any contrary provision of this Trust Agreement:

(a) If an interest in a Major League Baseball club (a "Baseball Interest") is held in any trust created under this Trust Agreement, directly or through a partnership, limited liability company, corporation or any other entity, the Trustee acknowledges and agrees that (i) it shall hold and control the Baseball Interest subject to, and must comply with, and (ii) the Baseball Interest is subject to the applicable rules and regulations of Major League Baseball including, without limitation, the Major League Constitution and the "Memorandum re: Ownership Transfers -Amended and Restated Guidelines & Procedures" issued by the Commissioner of Baseball on February 6, 2018, as amended, supplemented or otherwise modified from time to time (the "Rules").

(b) A Trustee of any trust created under this Trust Agreement may hold or control any Baseball Interests only if Major League Baseball has approved the appointment of that Trustee in writing, even if that Trustee is named to serve as Trustee (or a successor Trustee) in this Trust Agreement. A special Trustee may be appointed to administer the Baseball Interests (provided that the appointment of that special Trustee shall be subject to the prior written approval of Major League Baseball). No Trustee shall delegate the Trustee's authority to make decisions or take actions with respect to the Baseball Interest without the prior written approval of Major League Baseball.

(c) The Baseball Interest and any Trustee who holds in trust or controls any Baseball Interest shall be subject to the terms and provisions of the Fourth Amended and Restated Limited Liability Company Agreement of Padre Time, LLC dated as of June 30, 2020, as it may be further amended from time to time (including, without limitation, all provisions related to the MLB Control Person (as defined therein)).

(d) So long as a Baseball Interest is held in any trust hereunder, directly or through a partnership, limited liability company, corporation or any other entity, any amendment or restatement of the Trust Agreement must include the provisions of this Paragraph J-2 (which may not be amended, modified or supplemented) unless Major League Baseball otherwise agrees in advance in writing, and any action taken by the Trustee that does not comply with the terms of this Paragraph J-2 shall be null and void *ab initio*.

J-3. General Powers of Trustee. In addition to having all of the rights, privileges and powers granted to trustees of express trusts under the Texas Trust Code and under the other provisions of this Trust Agreement, as it presently exists or may hereafter be amended, the Trustee of each trust created hereunder shall have the powers enumerated below in this Paragraph J-3, which may be exercised free from court supervision and shall exist until all of the trust estate has been distributed. Notwithstanding the foregoing, the provisions made for the beneficiaries under

this Trust Agreement are exclusive. Any statute that purports to enlarge the class of beneficiaries to whom distributions may be made or the purposes for which distributions may be made shall not apply to any trust created under this Trust Agreement. All trust powers may be exercised upon such terms as the Trustee deems advisable and may affect the trust estate for any length of time regardless of the duration of the trust. Generally, and subject only to the terms of this Trust Agreement, the Trustee shall hold, manage, control, use, invest, reinvest, and dispose of the trust estate to the same extent as if the Trustee were the fee simple owner thereof.

(a) Trust Estate. The Trustee may retain as a part of the trust estate any property acquired at any time and in any manner, without regard to any requirement of diversification as to kind or amount.

(b) Sales and Partitions. The Trustee may exchange, sell or lease for cash, property or credit, or partition from time to time, publicly or privately, at such prices, on such terms, times and conditions and by instruments of such character and with such covenants as the Trustee may deem proper, all or any part of the trust estate. No purchaser or lessee from the Trustee shall be required to look to the application made by the Trustee of any funds paid to the Trustee.

(c) Reinvestment of Assets. The Trustee may invest and reinvest all or any part of the trust estate in property of any description (including property that may be categorized as speculative or as a wasting asset), whether or not productive of income and without regard to the proportion that such property or property of a similar character held may bear to the entire trust estate; including, but not limited to, real property that is or will be the residence of any beneficiary of any trust created hereunder.

(d) Business Interests. The Trustee may continue any business (whether a proprietorship, corporation, partnership, limited partnership or other business entity) that Trustor may own or in which Trustor may be financially interested for such time as the Trustee may deem it to be in the best interests of the trusts. The Trustee may employ in the conduct of any such business such capital out of any of the trusts as the Trustee may deem proper. The Trustee may borrow money for use in any such business alone or with other persons financially interested in such business, and secure such loan or loans by a mortgage, pledge or any other manner of encumbrance of, not only Trustor's property and interest in such business, but also such portion of the trusts outside of such business as the Trustee may deem proper; to organize, either alone or jointly with others, new corporations, partnerships, limited partnerships or other business entities. The Trustee may, generally, exercise with respect to the continuance, management, sale or liquidation of any business that Trustor may own or in which Trustor may be financially interested, or of any new business or business interest, all the powers that Trustor could have exercised. In connection with the foregoing provisions of this Paragraph J-3(d), the Trustee is specifically relieved of any duty or obligation which the Trustee might otherwise have to (i) diversify the investment of the assets of the trusts created hereunder into property other than new or existing corporations, partnerships, limited partnerships, limited liability partnerships, limited liability companies or other business entities; or (ii) make the trust property productive of income; further, the Trustee shall be released and be free from any liability to any person or entity for any loss resulting from the Trustee's failure to diversify

the assets of the trusts created hereunder into assets other than new or existing corporations, partnerships, limited partnerships, limited liability partnerships, limited liability companies or other business entities, or to make the trust property reasonably productive of income.

(e) Loans. The Trustee may loan funds, upon such terms and at such rate of interest and with such security as the Trustee determines to be in the best interests of the current beneficiaries of the trust to a beneficiary of a trust or to any other person.

(f) Borrowing and Encumbering. The Trustee may borrow money from any source (including any fiduciary) and mortgage, pledge, or in any other manner encumber all or any part of the trust estate as may be advisable in the judgment of the Trustee for the advantageous administration of the trust.

(g) Dealings With Related Parties. The Trustee may enter into any transaction, any series of related transactions or any other arrangement on behalf of the trust despite the fact that another party to any such transaction may be (i) a trust of which any Trustee under this Trust Agreement is also a trustee, including any trust created by this Trust Agreement, (ii) an estate of which the Trustee is also an executor or administrator, including the estate of Trustor or Trustor's Wife, (iii) a business or trust controlled by any Trustee under this Trust Agreement or of which any such Trustee is a director officer, employee or owner, or (iv) any beneficiary or Trustee under this Trust Agreement acting individually and regardless of any relationship to (or identity with) any fiduciary acting under this Trust Agreement.

(h) Common Trust Funds. The Trustee may invest and reinvest all or part of the assets of the trust in any common trust fund of any Corporate Trustee.

(i) Investment Advisors. The Trustee may select and employ, at the discretion of the Trustee but at the expense of the trust, any person, firm or corporation engaged in rendering investment advisory services or investment management services, to furnish professional assistance or management in connection with making investments, managing securities, or making any other decisions with respect to the purchase, retention, sale or other disposition of property or securities belonging to the trusts, and to delegate to such persons any part or all of the discretionary power relating to such investment decisions.

(j) Agents, Employees. The Trustee may select and employ attorneys, accountants, agents, custodians, clerks, and such other persons as deemed advisable, make such payments therefore as deemed reasonable, and delegate to such persons any discretion deemed proper.

(k) Partitions, Distributions. The Trustee may make divisions or distributions in money or in kind, or partly in each, pro rata or non-pro rata, whenever required or permitted to divide or distribute all or any part of any trust; and, in making any such divisions or distributions, the judgment of the Trustee in the selection and valuation of the assets to be so divided or distributed shall be binding and conclusive.

(l) Nominees, Banks and Trust Companies. The Trustee may register and carry any securities or other property in the name of the Trustee or in the name of a nominee

selected by the Trustee (or to hold any such property unregistered) without increasing or decreasing the fiduciary liability of the Trustee. The Trustee may employ a bank or trust company located anywhere within the United States, at the discretion of the Trustee but at the expense of the trust, as custodian or agent, (i) to have stock and securities registered in the name of such custodian or agent or nominee thereof without designation of fiduciary capacity and (ii) to appoint such bank or trust company to perform such other ministerial functions as the Trustee may direct. While such stock or securities are in the custody of any such bank or trust company, the Trustee shall be under no obligation to inspect or verify such stock or securities nor shall the Trustee be responsible for any loss by such bank or trust company.

(m) Options and Privileges. The Trustee may (i) exercise any option, right or privilege to purchase or to convert bonds, notes, stock, securities or other property, (ii) borrow money for the purpose of exercising any option, right or privilege and (iii) vote any stock that may be held in the trust.

(n) Claims, Controversies. The Trustee may institute, maintain, defend, release, compromise or abandon any claim or controversy by or against the trust without the joinder or consent of any beneficiary.

(o) Undivided Interests. The Trustee may hold, acquire, or retain undivided interests in property (of any kind) in which interests are held by one or more other owners, including strangers to the trust. Where such interests are held by one or more trusts hereunder, the Trustee may hold and administer such interests in consolidated form, holding title in its name as Trustee under this Trust Agreement and allocating on the books to each co-owning trust its undivided interest in such property.

(p) Division of Trusts. It is expressly provided that the Trustee may divide any trust created under this Trust Agreement into two separate trusts in the event the undivided trust will have an inclusion ratio for federal generation-skipping transfer tax purposes of greater than zero but less than one and, in the Trustee's discretion, such division is otherwise advisable. Any such division shall be evidenced by a written instrument filed with the trust records. This division power of the Trustee is in addition to any similar power granted under section 112.057 of the Texas Trust Code, and it may be exercised without satisfying the notice provisions of that statute. Any division made pursuant to this Paragraph shall be made in a manner which will result in one of the newly-divided trusts having an inclusion ratio of zero (the "exempt trust") and the other such trust having an inclusion ratio of one (the "non-exempt trust"), taking into account all applicable federal generation-skipping transfer tax rules. The written instrument evidencing the division shall specify how such division is to be made. In the event of such a division the provisions governing the newly-divided trust shall be identical to the provisions of the undivided trust, except as follows:

- (i) Any discretionary distributions to be made to beneficiaries who are classified as non-skip persons for federal generation-skipping transfer tax purposes shall generally be made first from the non-



exempt trust, in order to avoid to the maximum extent possible any such distributions from the exempt trust.

- (ii) Any discretionary distributions to be made to beneficiaries who are classified as skip persons for federal generation-skipping purposes shall generally be made first from the exempt trust, in order to avoid to the maximum extent possible any such distributions from the non-exempt trust.
- (iii) The Trustee shall administer the two (2) resulting trusts in a manner which does not adversely affect achievement of the purposes of the original trust established hereunder. For example, if an original trust created hereunder provides that distributions to a beneficiary shall not exceed a specific sum on a periodic basis, the two (2) resulting trusts should be administered such that aggregate distributions from both of the two (2) resulting trusts do not exceed such sum.

There shall be no liability to any beneficiary as a result of the Trustee's exercise (or failure to exercise) of this division power with respect to any trust.

J-4. Fiduciary Accounting and Trust Income. The receipts, disbursements and reserves of each trust (other than the Peter Seidler Exemption Trust and the Peter Seidler Marital Trust) may be allocated, on a cash or accrual basis, between principal and income in the sole discretion of the Trustee, without regard to the provisions of any statute. To the extent the Trustee does not exercise this discretionary power, the provisions of the Texas Trust Code shall control. With respect to the Peter Seidler Exemption Trust and the Peter Seidler Marital Trust, the provisions of the Texas Trust Code shall control as to such allocations and as to the determination of the "net income" of the trust. Where a question arises which is not clearly answered by those provisions, the determination of the Trustee shall control. However, no provision of the Texas Trust Code and no determination of the Trustee having to do with the net income of the Peter Seidler Exemption Trust and the Peter Seidler Marital Trust shall be effective if or to the extent that it would (i) deprive Trustor's Wife, as income beneficiary, of the substantial enjoyment of the trust or (ii) otherwise be inconsistent with qualification of the gift to that trust for the Marital Deduction.

Notwithstanding any contrary provision or implication in the paragraph hereof entitled General Powers of Trustee, or any other provision of this Trust Agreement, Trustor's Wife, by written instrument delivered to the Trustee of the Peter Seidler Exemption Trust or the Peter Seidler Marital Trust, may require that any property of the Peter Seidler Exemption Trust and the Peter Seidler Marital Trust which is unproductive of income be converted or made productive within a reasonable time after delivery of the notice. In addition, Trustor's Wife's right to the net income from the Peter Seidler Marital Trust shall include income ("carryover income") derived from the property distributable from the Revocable Trust during the winding up of Trustor's interest therein by reason of Trustor's death, including income of Trustor's residuary estate earned during the administration of Trustor's estate. To the extent Trustor's executor or the Trustee of the Revocable Trust uses any of such carryover income for payment of taxes, debts and expenses of Trustor's estate which are properly chargeable against principal, reimbursement shall be made from

principal to Trustor's Wife, as income beneficiary of the Peter Seidler Marital Trust, within a reasonable time and in any event by the time the Peter Seidler Marital Trust is fully funded.

J-5. Release and Delegation of Powers. Any power granted to a Trustee may be released, in whole or in part, temporarily or permanently. Any such power may be delegated, in whole or in part, temporarily or permanently, to any other Trustee then acting. A release or delegation shall be by written instrument filed with the records of the trust.

J-6. Subchapter S Provisions. Notwithstanding any provisions of this Trust Agreement to the contrary, in the event that any stock in a corporation: (i) which has in force an election to be treated as an S corporation pursuant to section 1361 of the Internal Revenue Code, or (ii) for which such an election is made, would otherwise be held in any trust created hereunder which would not qualify for treatment as (x) a "grantor trust" for income tax purposes, or (y) a Qualified Subchapter S Trust pursuant to section 1361(d) of the Code and which is not an Electing Small Business Trust pursuant to section 1361(e) of the Code, then such stock shall not be held in such trust but instead shall be held in a separate trust with provisions identical to those of the trust in which such stock would otherwise be held, except as provided below, it being Trustor's intention that such separate trust may qualify to be treated as such a Qualified Subchapter S Trust. Any such separate trust shall have provisions identical to the trust in which such stock would otherwise be held, except that:

(a) all of the income of such trust (within the meaning of section 643(b) of the Internal Revenue Code) shall be distributed to the beneficiary or ward of such trust (who shall then be called the "current income beneficiary" of the trust);

(b) no distributions of corpus from such trust may be made to any individual other than the current income beneficiary during the lifetime of the current income beneficiary;

(c) during the lifetime of the current income beneficiary, no one shall have any power to appoint any portion of the trust estate to anyone other than the current income beneficiary and the Trustee shall not have the power to adjust between principal and income;

(d) in the event that any other requirements are imposed on a trust by section 1361(d) of the Internal Revenue Code in order to make such trust eligible for treatment as a Qualified Subchapter S Trust, the Trustee shall amend or modify such trust or take any other action to satisfy such other requirements; and

(e) the Trustee, in such fiduciary's sole and absolute discretion, is authorized to make any elections or give any consents which are required to achieve or maintain S corporation status for stock to be held in trust pursuant to this Trust Agreement and may also enter into such stock purchase, voting or other agreements as the Trustee, in such fiduciary's sole and absolute discretion, shall determine to be necessary or appropriate for the protection of the trust, the shareholders of the S corporation and/or the deemed shareholders of the S corporation.



J-7. Tax Qualified Accounts and Policies Payable to Trustee.

(a) In General. If upon Trustor's death any Tax Qualified Accounts or proceeds of any life insurance policies insuring Trustor's life have been made payable to the Trustee of the Revocable Trust, such reference shall be to the Trustee, in trust to be distributed according to this Paragraph J-7. The Trustee shall, and is empowered to, take all steps necessary to collect such amounts or proceeds, and the receipt of such Trustee shall be a full discharge to any party required to make payment of the proceeds. The Trustee is also empowered to make any elections which a Trustee as beneficiary may make, such as selection of a mode of settlement of the proceeds and any corresponding tax elections. The Trustee shall distribute such amounts in accordance with the directions, if any, contained in the beneficiary designation or other instrument of transfer, or, if no such directions are provided, to the same persons (including the trustee of one or more specific trusts established hereunder), in the same proportions and manner, outright or in trust, as is provided for the distribution of the trust estate of the Revocable Trust under Paragraph A-7(b) upon the termination of such trust; provided, however, if any such Tax Qualified Account or life insurance policy is determined to be community property, such Trustee shall distribute the proceeds representing the Trustor's Wife's community property interest to the Trustor's Wife or the personal representative of her estate before distributing the balance as provided above.

(b) Plan Benefits Trust. To the extent that the Trustee of any trust created under this Trust Agreement is entitled to receive any Tax Qualified Account in which Trustor has an interest subject to the "minimum required distribution rules" of section 401(a)(9) of the Internal Revenue Code (the "MRD Rules") (collectively, "Plan Benefits"), the following provisions shall apply: (i) a Plan Benefits Trust corresponding to each trust created under this Trust Agreement shall be created; (ii) all Plan Benefits shall be allocated to or among the Plan Benefits Trust which corresponds to the trust entitled to receive the Tax Qualified Account in accordance with Paragraph J-7(a) above; (iii) each Plan Benefits Trust shall be irrevocable; (iv) each Plan Benefits Trust shall be identical to its corresponding trust except that all of the following persons, if any, who would otherwise be beneficially interested in the trust (other than those whose interests are contingent solely upon the death of a prior beneficiary), are completely excluded as beneficiaries and permissible appointees of the trust: (A) individuals having a shorter life expectancy than the measuring beneficiary and (B) entities not having a life expectancy; and (v) the Trustee shall deliver a copy of this Trust Agreement or alternate descriptive information to the plan administrator in the form and within the time limits required by applicable law. For purposes of this Section, the "measuring beneficiary" of a Plan Benefits Trust means the oldest individual who is both living and ascertainably specified in this Trust Agreement (by name or by class) as a current permissible beneficiary of the trust as of the date for determination of the "Designated Beneficiary" under applicable statute and treasury regulations. Trustor intends that only individuals eligible as designated beneficiaries (as defined in Internal Revenue Code section 401(a)(9) and applicable Treasury Regulations) for purposes of the MRD Rules shall ever be permissible distributees or appointees of Plan Benefits Trusts. This Trust Agreement shall be administered and interpreted in a manner consistent with this intent. Any provision of this Trust Agreement which conflicts with this intent shall be deemed

ambiguous and shall be construed, amplified, reconciled, or ignored as needed to achieve this intent.

(c) Withdrawal from Plan Benefits. The Trustee of each Plan Benefits Trust shall withdraw (and, in the case of a trust which qualifies for the Marital Deduction, Trustor's Wife shall have the power to compel the Trustee to withdraw) from the trust's share of the Plan Benefits each year any amount required to be withdrawn from such share under section 401(a)(9) of the Internal Revenue Code, if any, taking into consideration the maximum allowable period for distributions for such Tax Qualified Account. Notwithstanding the foregoing, nothing herein shall be deemed to limit the Trustee's power and right to withdraw from the trust's share of the Plan Benefits in any year more than the amount required to be withdrawn, if any, under section 401(a)(9), and in making a determination to withdraw an amount greater than is required, the Trustee is directed to take into consideration all relevant factors, including, but not limited to, the tax effect of such distribution to the beneficiary, the tax benefits of leaving amounts in the Plan Benefits, and the overall purposes of the Trust. In the case of a trust which qualifies for the estate tax Marital Deduction, Trustor's Wife shall have the power to compel the Trustee to require that any unproductive property held in a Plan Benefit be converted into productive property within a reasonable time.

J-8. Periodic Accounting. The Trustee of a trust established under this Trust Agreement shall upon request make reports at least annually to beneficiaries who are permitted by law to demand an accounting. Such reports shall reflect the property held in trust, the receipts, disbursements, and distributions made during the accounting period, and such other information as may be necessary to convey the condition of and changes to the trust estate.

J-9. Discretionary Merger Provision. If the Trustee of any trust created under this Trust Agreement is also acting as Trustee of any other trust created by trust instrument or by will or codicil for the benefit of the same beneficiary or beneficiaries upon substantially similar terms and conditions, the Trustee may merge all of the assets then held under such trust created pursuant to this Trust Agreement with such other trust and to terminate the trust created pursuant to this Trust Agreement if in the Trustee's discretion such action is in the best interest of the beneficiary or beneficiaries. The Trustee may also accept the assets of such other trust that may be transferred to the Trustee of the trust created under this Trust Agreement and to administer such assets pursuant to this Trust Agreement. If the component trusts differ as to contingent beneficiaries and the contingency occurs, the funds shall be distributed in such shares as the Trustee, in its sole discretion, deems necessary to create a fair ration between the various sets of beneficiaries. If any trust created under this Trust Agreement is merged with a trust created under any other instrument, such merged trust shall not continue beyond the date on which the earliest maximum term of the trusts so merged would, without regard to such merger, have been required to terminate. If the laws of any state require that the trust terminate as to any property prior to the termination date specified under this Trust Agreement, the trust shall terminate as to that property at the time required by law. In any such case, the written receipt of the trustee or trustees of the other trust shall be a full and complete acquittance to the Trustee of the trust hereunder.

J-10. Termination of Small Trust. If, in the opinion of the Corporate Trustee then serving as sole Trustee of a trust created under this Trust Agreement, it should ever become uneconomical for the Corporate Trustee to act or to continue to act as Trustee because of the small size of such

trust, such Corporate Trustee may terminate any such trust (other than a trust created under Paragraph J-11) by complete distribution to Trustor's Wife, if he is a beneficiary of such trust, or otherwise to the Primary Beneficiary of such trust.

J-11. Disclaimer by Trustor's Wife. The Trustor's Wife may disclaim any portion or all of any gift (whether outright, in trust or otherwise) to her under this Trust Agreement. Any such disclaimer shall be made by an instrument in writing sufficient to effect a "qualified disclaimer" within the meaning of section 2518 of the Internal Revenue Code. If and to the extent the Trustor's Wife does so disclaim any of such property ("disclaimed property"), the following provisions shall apply:

(a) Disclaimer Trust. All of the disclaimed property shall be distributed to the Trustee and shall constitute the initial trust estate of a trust under the following terms:

- (i) This trust shall be known as the "Peter Seidler Disclaimer Trust." It may also be referred to by one or more convenient abbreviated names as determined in the discretion of the Trustee, and is sometimes referred to in this Trust Agreement as the "Disclaimer Trust."
- (ii) The Trustee may distribute to the Trustor's Wife such amounts out of the income and principal of the Disclaimer Trust as, in the sole discretion of the Trustee, are required to provide for the Trustor's Wife's needs for health, education, maintenance and support in her accustomed manner of living as of the date of Trustor's death, taking into consideration (but not necessarily requiring exhaustion of) any other sources of support (both principal and income) Trustor's Wife may have to the knowledge of the Trustee. Provided the present and reasonably anticipated designated needs of the Trustor's Wife have been met, the Trustee, from time to time, may distribute to such one or more of the Trustor's descendants such amounts out of the income and principal of the Disclaimer Trust as, in the sole discretion of the Trustee, may be needed to provide for that recipient's needs for health, education, maintenance and support in his or her accustomed manner of living, taking into consideration (but not necessarily requiring exhaustion of) any other sources of support (both principal and income) such recipients may have to the knowledge of the Trustee.
- (iii) The Disclaimer Trust shall terminate on the Trustor's Wife's death. Upon such termination, the trust properties shall be distributed as follows:
  - (1) If any one or more of Trustor's descendants survives the Trustor's Wife, to the Trustee of the Non-Exempt Descendants' Trusts, in trust as provided in Section D.

- (2) If none of Trustor's descendants survives the Trustor's Wife, to the ultimate beneficiaries specified in the Final Disposition as provided in Section G.

(b) No Power of Appointment. Notwithstanding any other provisions of this Trust Agreement to the contrary, the Trustor's Wife, acting individually or as a fiduciary, shall have no power of appointment over property held in the Disclaimer Trust and shall have no other powers over the Disclaimer Trust that would result in any disclaimer by the Trustor's Wife or her personal representative failing to be a qualified disclaimer pursuant to section 2518 of the Internal Revenue Code.

(c) Additional Death Taxes. Notwithstanding any contrary provision or implication of Paragraph J-1, there shall be charged against the disclaimed property the entire increment in taxes (including any interest and penalties thereon) described in Paragraph J-1 to the extent that the total of such taxes is greater than it would have been had no disclaimer by Trustor's Wife been made. The balance, if any, of such taxes shall be charged and paid in accordance with the provisions of Paragraph J-1.

## **K. GENERAL PROVISIONS**

K-1. Exercise of Powers of Appointment Hereunder. In exercising a power of appointment given to a donee under this Trust Agreement, the donee may appoint the property subject to the power outright to an appointee, in trust, or to a custodian (selected by the donee) for an appointee under the Uniform Transfers to Minors Act of any state. If the donee appoints in trust, he or she may select the trustee or trustees, may establish such administrative terms for the trust as he or she deems appropriate, and may impose lawful spendthrift restrictions. The donee may give the Trustee discretionary powers over the income and principal, and may create a trust that has several permissible distributees. The donee may create life interests or other limited interests in some appointees with future interests in favor of other appointees (including those not yet in being), may appoint different types of interests among the appointees, and may create new powers of appointment in a trustee or trustees or in any appointee. The donee may impose lawful conditions on an appointment and, in general, may appoint to or among the objects of the power in any lawful manner. However, in no event may a special power of appointment hereunder be exercised in favor of the donee, the donee's creditors, the donee's estate or creditors of the donee's estate. Notwithstanding the foregoing, the express terms of the powers of appointment granted under Paragraph D-4 shall control to the extent such terms conflict with this Paragraph K-1.

In determining whether, in what manner and to what extent a testamentary power of appointment has been exercised by a donee, the Trustee may act in reliance upon a court order admitting an instrument to probate as the donee's Will or an order finding that the donee died intestate. Unless within six (6) months after the donee's death the Trustee has actual notice of the existence of proceedings to probate a Will of the donee, the Trustee shall assume that the donee died intestate. The foregoing provisions are intended to expedite the prompt and efficient administration of the trust and to protect the Trustee from any action taken or distribution made in accordance with these provisions. Nothing in this Paragraph K-1 shall limit or qualify any power of appointment given by this Trust Agreement or any right that an appointee or taker in default of appointment may have

against any person receiving a distribution from the Trustee irrespective of the place of probate or of the time of discovery of a Will exercising the power or any other action taken in the donee's estate.

K-2. Occupancy of Residence.

(a) Homestead Occupancy Right. Trustor shall have the right to use and occupy any residence held, in whole or in part, in the trust estate of any trust under this Trust Agreement rent free and without charge until Trustor dies or until this Trust Agreement is revoked or terminated, whichever occurs first. Trustor's Wife shall have the right to use and occupy any residence held, in whole or in part, in the trust estate of any trust under this Trust Agreement with respect to which Trustor's Wife is a beneficiary rent free and without charge until Trustor's Wife's death.

(b) Homestead Maintenance and Expenses. At any time that a beneficiary occupies residential property held in a trust as his or her principal residence he or she shall be responsible for maintaining the property at his or her expense; however, in making discretionary distributions to the beneficiary from that (or any other) trust, the Trustee may consider those expenses and shall provide for them to the same extent, if any, as would be proper if the property were not held in the trust. For this purpose, "maintaining the property" means: (i) keeping the property in good repair and in compliance with all applicable ordinances, deed restrictions and other applicable rules, if any; (ii) paying all property taxes and any mandatory homeowners' dues assessed on the property; (iii) paying the interest on any "mortgage" (meaning any purchase money or home improvement debt secured by a lien on the property); (iv) keeping the property properly insured; and (v) paying all utilities and other ordinary expenses of maintaining and preserving the property. All other costs of the property shall be paid by the owners of the residence in proportion to their respective ownership interests. This includes, for example, all principal payments on any mortgage and the cost of all improvements and extraordinary repairs (those necessitated by fire, flood or other casualty) in excess of any available insurance proceeds.

K-3. Provision for Ultimate Termination of Trusts. Notwithstanding any other provision of this Trust Agreement, unless sooner terminated in accordance with such provisions, each trust created or provided for in this Trust Agreement shall cease and terminate within twenty-one (21) years after the death of (i) Trustor, (ii) Trustor's Wife, and (iii) the last survivor of the descendants of the grandparents of Trustor who are living on the date of Trustor's death. If on the date preceding the expiration of such period any property is still held in trust hereunder, such property shall immediately vest in and be distributed to the primary beneficiary of such trust. Notwithstanding the foregoing, if the laws of the State of Texas should hereafter be amended to permit private trusts of longer duration, and if such amendment applies to the trusts created under this Trust Agreement, the termination of trusts created herein shall be postponed until one (1) day less than the longest period of terms then permitted for the duration of private trusts in Texas, but only if such postponement will not have any adverse state or federal transfer tax consequences.

K-4. Spendthrift Provision. The interest of each trust beneficiary under this Trust Agreement (as to income or principal or both) shall be held subject to a spendthrift trust to the fullest extent allowed by applicable law. Thus, except where applicable law may not be altered



hereby and expressly provides to the contrary, no beneficiary shall have the power to anticipate, encumber or transfer his interest in any trust in any manner and no part of any trust estate shall be liable for or charged with any debts, contracts, liabilities or torts of a beneficiary or subject to seizure or other process by any creditor of a beneficiary. This provision shall not be construed to prevent any disclaimer by a beneficiary of any interest in property given by this Trust Agreement or the valid exercise of a power of appointment given by this Trust Agreement.

K-5. Separate Property of Beneficiary. With respect to any trust created hereunder, it is Trustor's express intent and Trustor so directs that the income of such trust (whether such income is accumulated or distributed), and any rights or powers granted in connection with such trust (whether such right or power is exercised, not exercised or may be exercised in the future), shall be deemed to have been given by Trustor to the beneficiary of such trust so that such income, and such powers and rights and all property subject thereto, shall be treated and characterized, for all purposes, as such beneficiary's separate property and not as the community property of such beneficiary and any spouse of such beneficiary.

K-6. Survivorship. For all purposes of this Trust Agreement, no beneficiary shall be regarded as having survived Trustor or as living at the death of Trustor unless such person survives Trustor by ninety (90) days or more, exclusive of the date of Trustor's death. If the deaths of Trustor and Trustor's Wife occur under circumstances such that the order of their deaths cannot be determined by proof, then Trustor shall be deemed to have survived Trustor's Wife.

K-7. Trusts Irrevocable After Trustor's Death. Except as provided in Paragraph A-3, this Trust Agreement shall be irrevocable and no person shall have the right or power to revoke, alter, amend or change this Trust Agreement or any of its provisions.

K-8. Incapacity. Except as otherwise provided below, an adult individual generally shall be considered to have full legal capacity absent a presently existing adjudication of incapacity or insanity by a court or other judicial tribunal having jurisdiction to make such a determination.

(a) Fiduciaries. Notwithstanding the foregoing, for purposes of qualification to serve as a Trustee or in any other fiduciary capacity under this Trust Agreement, an adult individual shall be considered "incapacitated" if he or she, upon a good faith determination made by the next successor Trustee under this Trust Agreement, is unable to administer the trust because of a physical or mental condition. The successor Trustee shall make the determination of incapacity by written acknowledged instrument; provided, however, the successor Trustee shall have no obligation to monitor whether the then serving Trustee is incapacitated. If there is no named successor Trustee, then any beneficiary of a trust, other than a contingent remainderman, shall have the power to initiate proceedings to determine whether the Trustee is incapacitated. In the case of an initiation of proceedings by a trust beneficiary, the determination that a Trustee is incapacitated shall be substantiated by a letter or report (delivered to the Trustee then serving and the beneficiaries of the trust of which such Trustee is then serving) from at least two (2) physicians (who are either psychiatrists or neurologists) who have examined the Trustee.

(b) Beneficiaries. Notwithstanding the foregoing, an adult individual beneficiary under this Trust Agreement shall be considered "incapacitated" upon a good

faith determination made by the fiduciary charged with making such evaluation that such individual lacks the physical or mental capacity, personal or emotional stability or maturity of judgment needed to effectively manage his or her personal or financial affairs (whether because of injury, mental or medical condition, substance abuse or dependency, or any other reason). Individuals under the age of majority shall be considered incapacitated.

(c) Trustor. Notwithstanding the foregoing, Trustor shall be considered "incapacitated" when two (2) physicians who have examined Trustor within the prior two (2) years have certified that in their judgment Trustor does not have the physical or mental capacity to effectively manage his financial affairs.

#### K-9. Situs.

(a) Generally. The situs of the trusts created under this Trust Agreement is Texas. Wherever possible, the laws of Texas shall apply to the construction, administration and validity of each trust.

(b) Change of Governing Law. The Trustee of any trust created hereunder may, without any need to obtain approval of any court, change the situs of the trust to any other jurisdiction and may designate such jurisdiction's law as the governing law with respect to the administration of that trust, subject to the following:

- (i) The change of situs and governing law must be in the best interests of the trust's beneficiaries and must not jeopardize any otherwise allowable estate tax deduction or generation-skipping transfer tax exemption.
- (ii) The Trustee or at least one Co-Trustee must be domiciled or have its principal place of business in the designated jurisdiction.
- (iii) The change of situs and governing law must be effected by a writing which is signed and acknowledged by the Trustee, which states the effective time of the change in situs and governing law, and which is filed in the trust records, and a copy thereof shall be delivered to the same persons entitled to notice of the resignation of a Trustee under the foregoing provisions of this Trust Agreement.
- (iv) After the effective time of any such change of situs and governing law, any reference in this Trust Agreement to the laws of the State of Texas shall be deemed to reference any corresponding law of the applicable jurisdiction.

K-10. No Contest Clause. Trustor would be painfully hurt if anyone were to institute or actively participate in any cause of action to contest this Trust Agreement or Trustor's Last Will. Accordingly, if any beneficiary other than SHEEL SEIDLER ("Sheel") (i) institutes or joins in (except in support of the Trustee or Trustor's Executor, or as a non-collusive party defendant) any action or proceeding: (A) to contest the administration of a trust created under this Trust Agreement or the probate of Trustor's Last Will, including without limitation any fiduciary

appointments made under this Trust Agreement or Trustor's Last Will; (B) to construe all or any part of this Trust Agreement or Trustor's Last Will (without the prior written consent of the fiduciary or fiduciaries serving under this Trust Agreement or Trustor's Last Will); (C) to contest any act or omission of any person serving as a fiduciary under this Trust Agreement or Trustor's Last Will; (D) to remove any person or corporate entity as a fiduciary under this Trust Agreement or Trustor's Last Will, except as provided by this Trust Agreement or Trustor's Last Will; or (E) to contest in any manner any inventory or other accounting filed by a fiduciary pursuant to this Trust Agreement or Trustor's Last Will; or (ii) otherwise takes action to prevent any provision of this Trust Agreement or Trustor's Last Will from being carried out in accordance with its terms, then, upon any such event, all distributions, devises, bequests or other benefits provided for such beneficiary are revoked, and such beneficiary shall be deemed to have predeceased Trustor for the purposes of this Trust Agreement and Trustor's Last Will, and all of such distributions, devises, bequests or other benefits shall pass in the manner provided for in this Trust Agreement or Trustor's Last Will in such event (other than to persons who are also subject to such revocation and have been deemed to have predeceased Trustor in accordance with the foregoing). Each benefit conferred in this Trust Agreement or Trustor's Last Will or in any trust created hereunder is made on the condition precedent that the beneficiary shall accept and agree to all of the provisions of this Trust Agreement and Trustor's Last Will and the provisions of this Paragraph K-10 are an essential part of each and every such benefit. If this Paragraph K-10 or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the revocation contemplated by this Paragraph K-10 shall be given effect to the maximum extent permitted by applicable law.

## **L.**

### **DEFINITIONS**

L-1. Charity. References in this Trust Agreement to the term "Charity" shall mean one or more organizations described in sections 170(c), 2055(a) and 2522(a) of the Internal Revenue Code.

L-2. Corporate Trustee. References in this Trust Agreement to a "Corporate Trustee" shall refer to (i) a bank with trust powers, either state or national, with a combined capital and surplus of at least Fifty Million Dollars (\$50,000,000.00), or (ii) a trust company, either state or national, with a combined capital and surplus of at least Five Million Dollars (\$5,000,000.00), with such dollar limitations to be adjusted for inflation or deflation from the date of the execution of this Trust Agreement to the date of any such appointment, using a consumer price index or some other appropriate basis of adjustment.

L-3. Descendants. Except as otherwise provided in Paragraph L-15, references in this Trust Agreement to the "descendants" of a person shall mean (i) such person's legitimate children, and (ii) the legitimate descendants of such legitimate children. A posthumous legitimate child shall be considered as living at the death of his or her parent if such child is born within ten (10) months of the death of such parent. Subject to the foregoing, whenever a distribution under this Trust Agreement is to be made to the "descendants, *per stirpes*" of any person, the property to be distributed shall be divided into as many equal shares as there are then living legitimate children of the person and then deceased legitimate children of the person who left one or more legitimate descendants who are then living. Each living legitimate child of the person shall take one of such



shares, and the share of each deceased legitimate child shall be divided among such deceased legitimate child's then living legitimate descendants, *per stirpes*, in the same manner.

L-4. General Power of Appointment Amount. References in this Trust Agreement to the term "General Power of Appointment Amount" shall mean, with respect to a testamentary power of appointment given to a Primary Beneficiary over the trust estate of a trust, the largest monetary amount (if any) which could be added to the Primary Beneficiary's taxable estate (determined without regard to the trust estate of such trust) without causing any portion of such amount to trigger any federal estate tax liability with respect to the Primary Beneficiary's estate. In making the above computation, all determinants of the Primary Beneficiary's federal estate tax liability (as finally determined for such purposes) shall be taken into account, except that, such amount shall be determined as if (i) no credit for state death taxes were allowed under section 2011 of the Internal Revenue Code and (ii) no federal estate tax marital or charitable deduction were allowable with respect to the trust estate of such trust. Specifically, any credit for tax on prior transfers provided for under section 2013 of the Internal Revenue Code that is available with respect to the trust estate of such trust shall be taken into account in determining such amount. Notwithstanding the foregoing provisions of this Paragraph, the General Power of Appointment Amount shall be zero if the Primary Beneficiary's indebtedness exceeds the Primary Beneficiary's assets at the time of the Primary Beneficiary's death.

L-5. Generation-skipping Tax Exempt Amount. References in this Trust Agreement to the term "generation-skipping tax exempt amount" shall mean the amount of the generation-skipping tax exemption (determined in accordance with the federal generation-skipping transfer tax laws in effect at the time of Trustor's death) to which Trustor is entitled under section 2631 of the Internal Revenue Code and which has not been either (i) actually allocated during Trustor's lifetime in accordance with section 2632(a) of the Internal Revenue Code, or (ii) deemed allocated by Trustor in accordance with section 2632(b) or 2632(c) of the Internal Revenue Code.

L-6. Internal Revenue Code. References in this Trust Agreement to the "Internal Revenue Code" shall be to the appropriate section of the Internal Revenue Code of 1986, as amended, or to the corresponding provisions of any subsequently enacted federal tax law.

L-7. Independent Trustee. References in this Trust Agreement to the term "Independent Trustee" in this Trust Agreement shall mean a Trustee of a trust administered under this Trust Agreement who (i) is a Corporate Trustee or an individual who has attained age thirty-five (35), (ii) is not currently eligible to receive distributions from such trust, (iii) does not have a legal obligation to support a beneficiary of such trust who is currently eligible to receive distributions of income or principal from such trust, (iv) is not Trustor, a descendant of Trustor, a spouse or former spouse of Trustor, or a spouse or former spouse of a descendant of Trustor, and (v) is not a related or subordinate party (as defined in section 672(c) of the Internal Revenue Code) to Trustor or to any beneficiary of such trust.

L-8. Legitimate.

(a) As to the Father. A child is "legitimate" as to his or her father if (i) (x) the father has been determined to be such child's genetic father by virtue of genetic testing of a type then reasonably relied upon by experts in the field of genetic testing, and (y) the

father is, or has ever been, married to such child's birth mother as of the date on which such determination must be made; (ii) the father has duly acknowledged his paternity of such child in accordance with Chapter 160, Subchapter D of the Texas Family Code and such acknowledgment has not been rescinded or successfully challenged; (iii) the father is declared to be an "intended parent" of the child under a gestational agreement validated by a court of competent jurisdiction in accordance with Chapter 160, Subchapter I of the Texas Family Code; (iv) such child was born by "assisted reproduction" (as defined in section 160.102 of the Texas Family Code) to a birth mother who was married to such father at the time of the assisted reproduction and the father consented to such assisted reproduction in accordance with section 160.704 of the Texas Family Code; or (v) the child is adopted by the father by formal adoption proceedings in a court of record before the child attains the age of eighteen (18). The presumptions of paternity found in the Texas Family Code, including but not limited to section 160.204, as amended, shall not apply.

(b) As to the Mother. A child is "legitimate" as to his or her mother if (i) the mother has given birth to such child, except if the mother's parental rights with respect to such child have been terminated in a court of record before such child attains the age of eighteen (18), and except for any child born to a mother who is, with respect to such child, a "gestational mother" as defined in Chapter 160, Subchapter I of the Texas Family Code; (ii) the mother is declared to be an "intended parent" of the child under a gestational agreement validated by a court of competent jurisdiction in accordance with Chapter 160, Subchapter I of the Texas Family Code; or (iii) the child is adopted by the mother by formal adoption proceedings in a court of record before the child attains the age of eighteen (18).

L-9. Marital Deduction. References in this Trust Agreement to the term "Marital Deduction" shall mean the deduction allowed under section 2056 of the Internal Revenue Code.

L-10. Section; Paragraph. Unless otherwise noted, all references in this Trust Agreement to a "Section" or "Paragraph" are to the applicable Section or Paragraph of this Trust Agreement.

L-11. Spouse. As concerns a reference to the term "spouse" of the Trustor or one of the Trustor's descendants, "spouse" shall mean an individual to whom such descendant is legally married under the laws of the state in which such descendant is then domiciled and no petition for divorce is on file at the time such determination is being made.

L-12. Tax Qualified Account. References in this Trust Agreement to the term "Tax Qualified Account" shall mean any qualified retirement plan, employee benefit plan, individual retirement account, or similar plan or arrangement.

L-13. Trustee. References in this Trust Agreement to the term "Trustee" shall mean the Trustee or Trustees from time to time acting as such with respect to the trust referred to.

L-14. Trust Estate. References in this Trust Agreement to the term "trust estate" means all assets, however and whenever acquired, including income, which may belong to a trust under this Trust Agreement at any given time.

L-15. Trustor's Family Identification. Notwithstanding any other provision of this Trust Agreement, references to "Trustor's Wife" in this Trust Agreement shall mean SHEEL SEIDLER

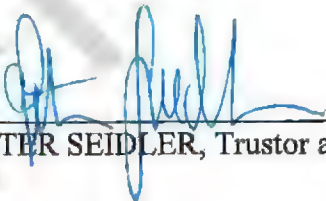
and references to "Trustor's children" in this Trust Agreement shall mean SADIE SEIDLER, SHANTI SEIDLER, HAGOBIND SEIDLER, and any child or children born to or adopted by Trustor after this Trust Agreement is signed. References to "Trustor's descendants" in this Trust Agreement shall mean Trustor's children and each of their respective descendants.

L-16. Other Terms. The use of any gender includes the other genders, and the use of either the singular or the plural includes the other. In addition, capitalized terms used throughout this Trust Agreement have the meanings ascribed to them elsewhere in this Trust Agreement.

**M.**  
**ACCEPTANCE BY TRUSTEE**

By signing this Trust Agreement, Trustee (i) accepts this trust and all of the rights, powers and duties attached to the office of Trustee as provided in this Trust Agreement, (ii) agrees to serve as Trustee of the Revocable Trust and the various trusts to be continued therefrom, (iii) acknowledges receipt of the property now held as part of the Trust estate and (iv) agrees to hold and administer each trust estate in accordance with the terms of this Trust Agreement.

This Trust Agreement is executed effective as of the date of the last acknowledgement hereto and may be executed in multiple counterparts, each of which shall constitute an original but all of which together will constitute one and the same instrument.

  
\_\_\_\_\_  
PETER SEIDLER, Trustor and Trustee

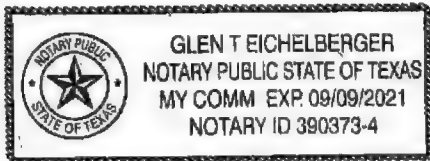
THE STATE OF TEXAS   §  
                                     §  
COUNTY OF TRAVIS   §

Before me, the undersigned authority, on this day personally appeared PETER SEIDLER, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacities therein stated.

Given under my hand and seal this 18<sup>th</sup> day of July, 2021.

  
\_\_\_\_\_  
Notary Public Signature

(SEAL)



**AMENDMENT NO. 1 TO THE  
2021 AMENDMENT AND COMPLETE RESTATEMENT  
OF THE PETER SEIDLER REVOCABLE TRUST**

THE STATE OF TEXAS

§

§

COUNTY OF TRAVIS

§

This AMENDMENT NO. 1 TO THE 2021 AMENDMENT AND COMPLETE RESTATEMENT OF THE PETER SEIDLER REVOCABLE TRUST (the "Amendment No. 1") is to be effective February 18, 2022, by and between PETER SEIDLER, as Trustor and Trustee.

**RECITALS**

WHEREAS, PETER SEIDLER, now a resident of Travis County, Texas, as Trustor (the "Trustor") and PETER SEIDLER, as Trustee (the "Trustee"), executed that certain trust agreement effective as of January 19, 2001 ("the Original Trust Agreement") pursuant to which the Peter Seidler Revocable Trust (the "Trust") was established;

WHEREAS, Trustor and Trustee executed that certain 2019 Amendment and Complete Restatement of the Peter Seidler Revocable Trust Declaration effective as of June 20, 2019 (the "2019 A&R Trust Agreement"), whereby the Original Trust Agreement was completely amended and restated;

WHEREAS, Trustor and Trustee executed that certain 2021 Amendment and Complete Restatement of the Peter Seidler Revocable Trust (the "2021 A&R Trust Agreement"), whereby the 2019 A&R Trust Agreement was completely amended and restated;

WHEREAS, Paragraph A-3 of the 2021 A&R Trust Agreement provides that the Trustor may alter, amend or revoke the 2021 A&R Trust Agreement by written instrument signed by the Trustor and delivered to the Trustee;

WHEREAS, Peter Seidler, in his individual capacity, entered into that certain Charitable Gift Agreement with the University of San Diego ("USD") dated February 18, 2022, in which he pledged to donate the sum of Five Million Dollars (\$5,000,000.00) to USD for the purpose of building a state-of-the-art women's softball facility (the "USD Gift Agreement");

WHEREAS, Trustor wishes to revise the 2021 A&R Trust Agreement to obligate Trustee, along with any substitute or successor trustee of the Trust, to satisfy the obligations Trustor undertook in his individual capacity in the USD Gift Agreement should he die prior to fulfilling his obligations thereunder;

WHEREAS, Trustor wishes to further revise the Trust Agreement to ensure that Trustor and Trustee, along with any substitute or successor trustee of the Trust, are not obligated to satisfy any of his obligations under the USD Gift Agreement in the event that his obligations thereunder

are discharged, whether pursuant to the terms of the USD Gift Agreement or for any other reason; and

WHEREAS, Trustor therefore desires to amend the 2021 A&R Trust Agreement as provided in this Amendment No. 1.

### AGREEMENTS

NOW, THEREFORE, Trustor hereby amends the Trust Agreement as follows:

#### ITEM 1

Trustor hereby amends the Trust Agreement by deleting the existing Paragraph A-7 of the 2021 A&R Trust Agreement in its entirety and replacing it with the following:

“A-7. Termination and Division of Trust Estate. The Trust shall terminate upon the death of Trustor. Upon termination, the Trustee shall distribute the then remaining trust estate, together with all properties received by the Trustee by reason of Trustor’s death, as follows:

(a) Gift of Generation-Skipping Tax Exempt Amount. There shall first be distributed an amount equal to the generation-skipping tax exempt amount (as defined below) as follows:

- (i) If Trustor’s Wife survives Trustor, to the Trustee of the Peter Seidler Exemption Trust, in trust as provided in Section B.
- (ii) If Trustor’s Wife does not survive Trustor and one or more of Trustor’s descendants survive Trustor, to the Trustee of the Seidler 2012 Irrevocable Trust (the ‘Seidler 2012 Irrevocable Trust’), as created under that certain trust agreement dated December 18, 2012, between Peter Seidler, as Trustor, and James Hagen, as Trustee (the ‘2012 Trust Agreement’). For purposes of this gift, Trustor’s descendants shall be determined under the definition of ‘descendants’ in the 2012 Trust Agreement, the terms of which are incorporated herein by reference.

For purposes of this gift, the ‘generation-skipping tax exempt amount’ means the amount of the generation-skipping tax exemption (determined in accordance with the federal generation-skipping transfer tax laws in effect at the time of the Trustor’s death) to which the Trustor is entitled under section 2631 of the Internal Revenue Code and which has not been either (i) actually allocated during the Trustor’s lifetime in accordance with section 2632(a) of the Internal Revenue Code, or (ii) deemed allocated by the Trustor in accordance with section 2632(b) or 2632(c) of the Internal Revenue Code.

(b) Charitable Gift to the University of San Diego. Trustor, in his individual capacity, entered into a Charitable Gift Agreement with the University of San Diego



(‘USD’) dated February \_\_\_, 2022, in which Trustor agreed, subject to certain conditions, to donate the sum of Five Million Dollars (\$5,000,000.00) to USD for the purpose of building a state of the art women’s softball facility (the ‘USD Gift Agreement’). In connection with the USD Gift Agreement, the Trustor directs the Trustee (i) to determine the magnitude of all payments under the USD Gift Agreement Trustor made to USD prior to his death; and (ii) to review the terms of the USD Gift Agreement, and to the extent that the terms thereof legally obligate the Trustor to complete any unpaid payments under the USD Gift Agreement of the date of Trustor’s death, the Trustor directs the Trustee to pay to USD all remaining unpaid amounts under the USD Gift Agreement according to the terms of said agreement. Trustor further directs the Trustee that if the terms and conditions of the USD Gift Agreement would relieve the Trustor, if living, from further payment responsibility under the USD Gift Agreement, that no payment shall be made by the Trustee under this Paragraph A-7(b).

(c) Residuary Estate. The remaining property not otherwise distributed pursuant to Paragraph A-7(a) and Paragraph A-7(b) shall be distributed as follows:

- (i) If Trustor’s Wife survives Trustor, to the Trustee of the Peter Seidler Marital Trust, in trust as provided in Section B.
- (ii) If Trustor’s Wife does not survive Trustor and one or more of Trustor’s descendants survive Trustor, to Trustor’s descendants, *per stirpes*, subject to administration in the Non-Exempt Descendants’ Trusts as provided in Section D.
- (iii) If none among Trustor’s Wife and Trustor’s descendants survive Trustor, to the ultimate beneficiaries specified in the Final Disposition provided in Section E.”

## ITEM 2

Trustor hereby amends the Trust Agreement by deleting the existing Paragraph J-1 of the 2021 A&R Trust Agreement in its entirety and replacing it with the following:

“J-1. Debts, Expenses and Taxes.

(a) Debts. All debts that Trustor has incurred by borrowing against the cash surrender value of life insurance policies on Trustor’s life and debts to the extent secured by the assignment of life insurance policies on Trustor’s life shall be paid from the policy proceeds. All the rest of Trustor’s debts shall be charged against the property passing under the provisions of Paragraph A-7(c). Nothing herein shall require the prepayment of any indebtedness secured by a mortgage or other lien on any property.

(b) Expenses. All of Trustor’s funeral expenses and expenses of administering Trustor’s estate, including expenses of packing, insuring, storing and delivering personal

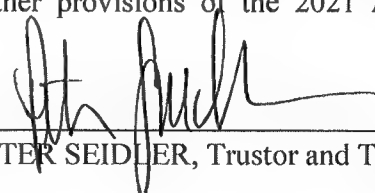
and household effects to a beneficiary, shall be charged against the property passing under the provisions of Paragraph A-7(c).

(c) Taxes. All estate, inheritance, transfer and succession taxes (including any interest and penalties thereon) which arise in connection with Trustor's death with respect to the property passing pursuant to Trustor's Will and this Trust Agreement shall be allocated to the property passing under Paragraph A-7(c). The Trustee may make such payments directly or may pay over the amounts thereto to Trustor's executor. Notwithstanding anything in this Trust Agreement to the contrary, any estate, inheritance, transfer and succession taxes (including any interest or penalty on such taxes) attributable to any non-probate assets that do not pass under this Trust Agreement shall be apportioned, paid or otherwise allocated as provided or permitted by applicable law, except that no taxes shall be recovered from any trust includable in Trustor's Wife's estate under section 2044 of the Internal Revenue Code which has an inclusion ratio of zero (0) for generation-skipping transfer tax purposes, although the taxes attributable to such trust may be collected from any other trust includable in Trustor's Wife's estate under section 2044 of the Internal Revenue Code which has an inclusion ratio of greater than zero (0) for generation-skipping transfer tax purposes, to the extent authorized under this Trust Agreement or otherwise. The taxes allocated under this Paragraph J-1 shall not include any additional or recapture tax imposed by section 2032A of the Internal Revenue Code and all taxes arising in connection with any generation-skipping transfers hereunder shall be paid as provided in Chapter 13 of Subtitle B of the Internal Revenue Code.

(d) Contributions. Contributions under this Paragraph J-1 may be demanded by the executor or administrator of Trustor's estate and paid by the Trustee regardless of whether such contributions might otherwise be in excess of the share of all taxes, debts and expenses attributable to Trustor's interest in the trust estate of the Revocable Trust. Such contributions shall be made to the executor or administrator of Trustor's estate upon request, and the receipt by such executor or administrator shall be a full discharge to the Trustee hereunder for all contributions so made. The Trustee shall be entitled periodically to review the records of Trustor's executor or administrator. Allocation and distribution of the trust estate of the Revocable Trust shall be made subject to the power and duty of the Trustee hereunder to contribute to the payment of the taxes, debts and expenses of Trustor as set forth in this Paragraph J-1."

### ITEM 3

Trustor otherwise confirms and ratifies all other provisions of the 2021 A&R Trust Agreement.

  
\_\_\_\_\_  
PETER SEIDLER, Trustor and Trustee



THE STATE OF TEXAS

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COUNTY OF TRAVIS

§

Before me, the undersigned authority, on this day personally appeared PETER SEIDLER, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacities therein stated.

Given under my hand and seal this 25<sup>th</sup> day of ~~February~~ May, 2022.



Melissa Lindsey  
Notary Public, State of Texas

**AMENDMENT NO. 2 TO THE  
2021 AMENDMENT AND COMPLETE RESTATEMENT  
OF THE PETER SEIDLER REVOCABLE TRUST**

THE STATE OF TEXAS

§

§

COUNTY OF TRAVIS

§

This AMENDMENT NO. 2 TO THE 2021 AMENDMENT AND COMPLETE RESTATEMENT OF THE PETER SEIDLER REVOCABLE TRUST (the "Amendment No. 2") is to be effective September \_\_, 2023, by and between PETER SEIDLER, as Trustor and Trustee.

**RECITALS**

WHEREAS, PETER SEIDLER, now a resident of Travis County, Texas, as Trustor (the "Trustor") and PETER SEIDLER, as Trustee (the "Trustee"), executed that certain trust agreement effective as of January 19, 2001 ("the Original Trust Agreement") pursuant to which the Peter Seidler Revocable Trust (the "Trust") was established;

WHEREAS, Trustor and Trustee executed that certain 2019 Amendment and Complete Restatement of the Peter Seidler Revocable Trust Declaration effective as of June 20, 2019 (the "2019 A&R Trust Agreement"), whereby the Original Trust Agreement was completely amended and restated;

WHEREAS, Trustor and Trustee executed that certain 2021 Amendment and Complete Restatement of the Peter Seidler Revocable Trust (the "2021 A&R Trust Agreement"), whereby the 2019 A&R Trust Agreement was completely amended and restated;

WHEREAS, Trustor and Trustee executed that certain Amendment No. 1 to the 2021 Amendment and Complete Restatement of the Peter Seidler Revocable Trust, whereby Paragraph A-7 and Paragraph J-1 of the 2021 A&R Trust Agreement were amended;

WHEREAS, Paragraph A-3 of the 2021 A&R Trust Agreement provides that the Trustor may alter, amend or revoke the 2021 A&R Trust Agreement by written instrument signed by the Trustor and delivered to the Trustee;

WHEREAS, Trustor wishes to revise the 2021 A&R Trust Agreement to ensure that in the event Trustor is appointing a successor Trustee or co-Trustee of any trust created under the 2021 A&R Trust Agreement of which he is a beneficiary, such successor Trustee or co-Trustee may be any Corporate Trustee (as defined in the 2021 A&R Trust Agreement) or any individual and may be domiciled anywhere, such that if Trustor ceases to serve as Trustee but later wishes to exercise his power under Paragraph I-1(c) of the 2021 A&R Trust Agreement to remove and replace the Trustee of any trust created under the 2021 A&R Trust Agreement of which he is a beneficiary he will have the ability to appoint himself in such capacity; and

WHEREAS, Trustor therefore desires to amend the 2021 A&R Trust Agreement as provided in this Amendment No. 2.

### **AGREEMENTS**

NOW, THEREFORE, Trustor hereby amends the Trust Agreement as follows:

#### ITEM 1

Trustor hereby amends the 2021 A&R Trust Agreement by deleting the existing Paragraph I-1(h) in its entirety and replacing it with the following:

“I-1(h). Who May Be Appointed. Except as otherwise provided in this Trust Agreement, a successor Trustee or co-Trustee appointed under the provisions of Paragraph I-1 of this Trust Agreement shall be a Corporate Trustee or any individual who is an Independent Trustee and may be domiciled anywhere. Notwithstanding the foregoing, a successor Trustee or co-Trustee appointed by Trustor may be any Corporate Trustee or any individual and may be domiciled anywhere.”

#### ITEM 2

Trustor otherwise confirms and ratifies all other provisions of the 2021 A&R Trust Agreement.

  
\_\_\_\_\_  
PETER SEIDLER, Trustor and Trustee



## ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )


COUNTY OF San Diego )

On 9/15, 2023, before me, Martha Bolanos, notary public,  
(insert name and title of officer)

personally appeared PETER SEIDLER, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)



## JURAT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )

COUNTY OF San Diego )

Subscribed and sworn to (or affirmed) before me on this 15 day of September, 2023, by PETER SEIDLER, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature  (Seal)



### Automated Certificate of eService

This automated certificate of service was created by the eFiling system. The filer served this document via email generated by the eFiling system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Catherine Honeywell on behalf of Sarah Pacheco

Bar No. 788164

choneywell@jw.com

Envelope ID: 95869540

Filing Code Description: OPN:PB ORIGINAL PETITION

Filing Description: Original Petition and Application for Relief Pursuant to

Texas Property Code Sec. 114.008

Status as of 1/6/2025 9:54 AM CST

#### Case Contacts

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